

# The brand forecast is clear

How to make better, faster,  
smarter decisions with  
weather and AI

**Watson Advertising**

**IBM**

## Introduction

Data is a brand's most precious commodity. It is also becoming the most challenging asset to obtain and utilize.

Between the ever-higher boundaries of walled gardens, increasing privacy regulations and the death of the cookie, marketers need new data-driven solutions to help them understand changing consumer behaviors, make better decisions and improve campaigns.

In these uncharted waters, AI may be the North Star.

Applying AI technology to privacy-forward data signals like weather can uncover near real-time, actionable insights into reaching the right audience with the right message at the right time. Designed to improve planning and activation for merchandising, marketing, advertising and more, these solutions facilitate reliable predictions on consumer behaviors related to health and wellness, purchasing habits and preferences without using personal data.

**IBM Watson Advertising Weather Targeting** combines deep weather data science expertise with IBM's knowledge in modeling and training AI algorithms to help you deliver more effective digital campaigns while minimizing wasted ad spend.

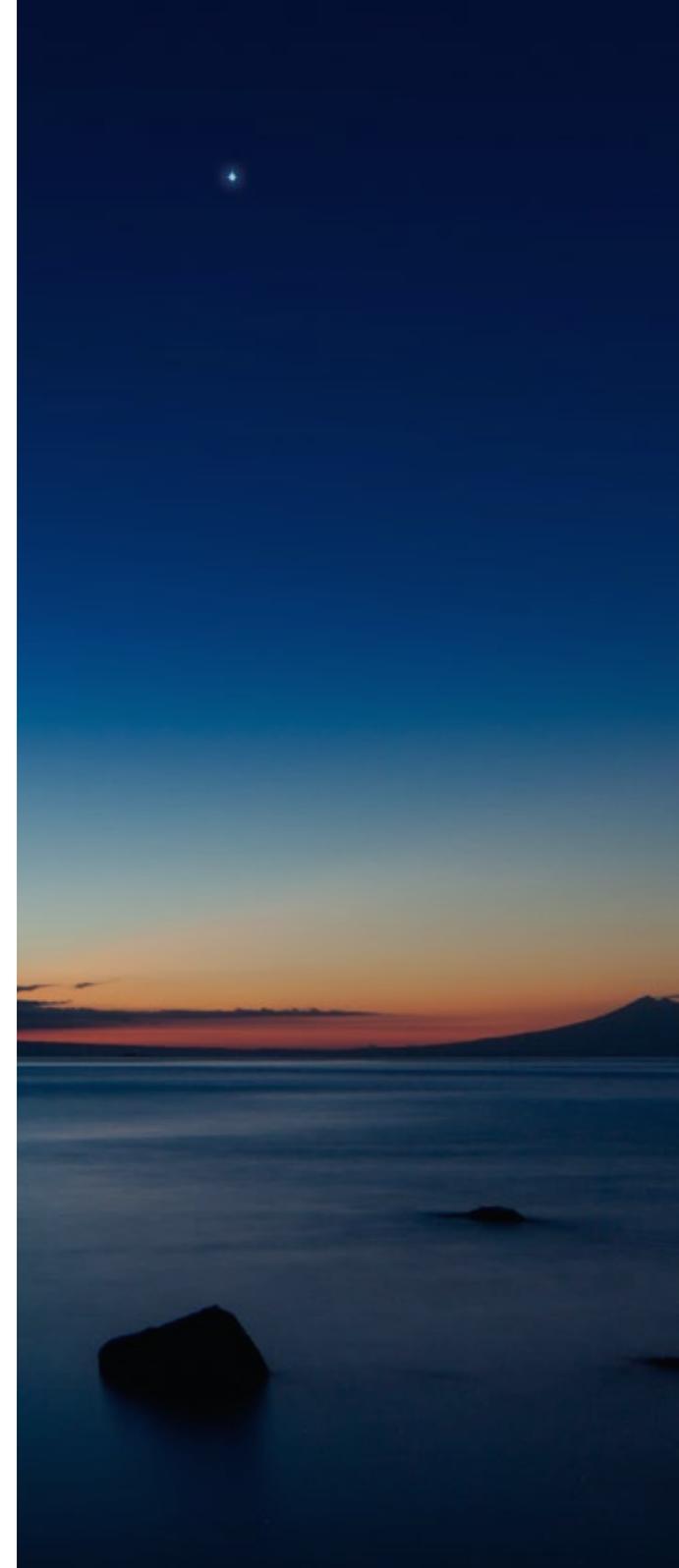
IBM Watson Advertising Weather Targeting is designed to recognize the relationships between weather, location and complex data sets such as health conditions, product sales and consumer activity. This analysis is used to automatically trigger messages only when and where the conditions that contribute to the desired consumer behavior are present, helping you deliver contextually relevant messages without relying on third-party cookie data.

This solution has led to a wide range of benefits across industries<sup>1</sup>, including:

- **23 percent increase in sales** for a quick-service restaurant by anticipating consumer demand ahead of time.
- **300 percent improvement in clickthrough rate** and 71 percent lift in social reach for a cold and flu brand by more effectively connecting with consumers as they research symptoms and conditions.
- **35 percent reduction in media waste** for an ice cream company by targeting consumers at specific times and locations that suggest a high likelihood of purchase.

In this ebook, we'll demonstrate how these weather insights and activations can help brands across industries develop and execute more effective marketing strategies.

<sup>1</sup> Source: IBM Watson Advertising campaign results from participating clients. Results from each of the three case studies are based on one brand. Contact IBM to see what we can do for you.



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## Grocery: Less frequency, bigger baskets

In-store shopping has become less frequent and more bulk-oriented. Forty-one percent of The Weather Channel app users say their shopping behaviors have permanently changed.<sup>2</sup> Weather-based insights can help you adjust to new buying patterns by putting your brand in the path of consumers when they need you most.

### Insight

While people tend to cocoon in their homes during heavy rain or snow, certain foods see greater lifts during such weather, including broths, dry mixes, soup, frozen pot pies, frozen appetizers, ramen, chili sauce and popcorn.

Promote such products in advance of these weather events so your brand will be in consumers' cupboards when cravings hit.

### Insight

During heavy snow, demand decreases for bath and shower products, first aid and pet care products.

When snow is in the forecast, shift to a brand-purpose message that impacts upper funnel metrics rather than trying to sell your product.

### Insight

When severe weather is forecast, consumers stock up on preparedness items. However, interest wanes when the weather has passed.

Focus on products and solutions that offer comfort, safety and convenience but don't require much effort to store or prepare, such as batteries, bottled water, fire materials, salty snacks, prepared foods and sleep aids.

### Suggested Triggers

- Forecast Severe Weather
- Forecast Heavy Rain or Snow
- Frozen Prepared Foods - Complete Meal
- Frozen Prepared Foods - Main Course
- Soup Sales
- Pretzel Sales
- Condiment Sales
- Battery Sales
- Bottled Water Sales
- Sunscreen Sales

<sup>2</sup> IBM Spring Retail Study, February 2021



## Prepared foods: Consumers crave convenience

Considering the pandemic, US consumers are hungry for more convenience from their grocery providers, often in the form of semi- and fully prepared pre-packaged options like salads, sandwiches and full meal kits. Grocery stores are improving on these options by offering more variety, healthier choices and better freshness.<sup>3</sup>

### Insight

Demand for prepared food spikes during warm months when consumers may not want to turn on their ovens or are busy with outside activities.

Activate media at the start of spring and summer to ensure the message is relevant when life gets busy and consumers look for convenient meals.

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### Insight

When inclement weather is expected, especially heavy rain and snow, consumers purchase prepared foods as the time or ability to cook fresh meals might be limited.

Leverage automated weather and product triggers to capture the daily spikes created by warm and clear weather or present prepared options when oncoming inclement weather causes consumers to stock up.

### Suggested Triggers

- Inclement Weather - Snow, Rain, Storms
- Seasonal First - Spring or Summer
- Baked Good Sales
- Prepared Foods - Soup
- Breakfast Bar Sales

<sup>3</sup> Demand for convenience keeps grocery foodservice sales on upswing, Russell Redman, New Hope Network, Sep 18, 2019



## Pet products: Weather influences care

While spending on pets has grown every year since 2010, the increase in time spent at home led consumers to adopt pets in droves during the pandemic. This pushed pet spending to a record-high USD 99 billion in 2020,<sup>4</sup> providing opportunities for brick-and-mortar stores to offer new curbside pickup and delivery programs. It also opened the floodgates for e-commerce-based operations.

### Insight

Seasonal increases in pollen and other allergens can cause issues with pets as well as people. Approximately 40 percent of The Weather Channel app users check the allergy forecast for their pets.<sup>2</sup> Growing temperatures and humidity also bring out pet-loving pests.

Target messaging to areas where heat, humidity and allergens are in the forecast and consumers are seeking care and prevention.

### Insight

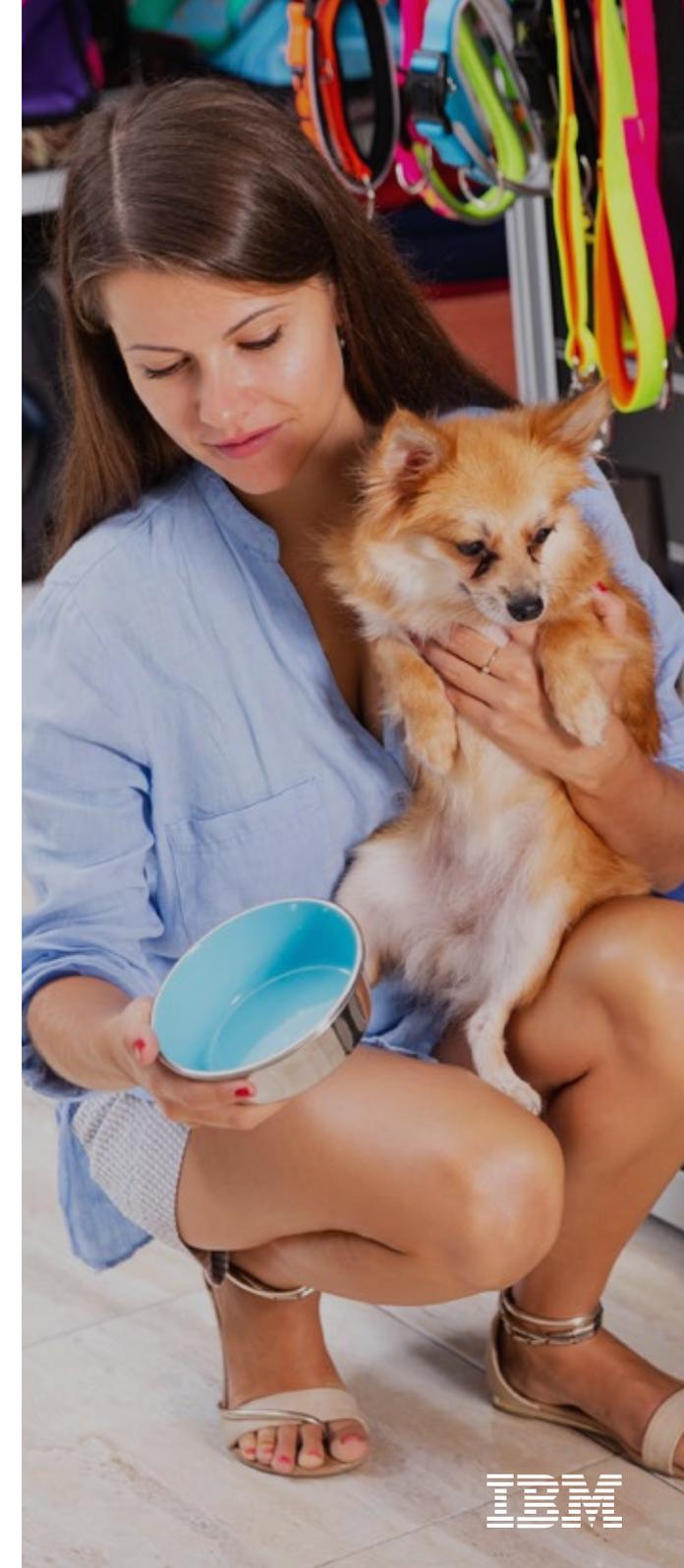
After adopting, pet owners are taking action to secure their homes and keep pets safely confined, such as by building fences.

During seasonal shifts toward warmer weather, focus on campaigns that help owners create secure environments for pets, such as fences or shelters.

### Suggested Triggers

- Pet Store Sales Weather
- Flea and Tick Product
- Pet Medicine
- Outdoor Activity
- Clear Skies
- Home Improvement Store Weather

<sup>4</sup> [The pet business is booming as Americans spend more on their animals while they work from home](#)  
Emily DeCiccio, CNBC, Dec 5, 2020



## Health and wellness: A trend becomes a mainstay

The pandemic appears to have significantly impacted consumers' approach to health, wellness and self-care. According to the IBM Spring Retail Study in February 2021, a survey of more than 6,100 users of The Weather Channel app, 51 percent of respondents will likely adopt new self-care and wellness routines as the weather warms.<sup>2</sup>

### Insight

Sales of skin creams and other products have increased substantially, likely because harsh indoor lighting on video calls combined with the dry, filtered indoor air, has people looking at their skin in new ways.

Activate campaigns when cold or dry weather is in the forecast to capture this increase in demand.

### Insight

Consumers are looking for convenience when food shopping but are also experimenting with healthy diets and methods. When seasons change, consumers also tend to be more receptive to trying new activities or products.

Promote pre-packaged options during warmer weather to capture consumers on-the-go. Leveraging seasonal triggers

may help brands align with consumers' willingness to try something new.

### Insight

As the weather warms, consumers will seek opportunities for outdoor exercise, mental clarity and overall well-being.

Create messaging with a "get outside" focus, perhaps with an offer to try a new product, exercise or app as the weather warms. During inclement weather, messaging related to mindfulness and other activities that can be done indoors, may resonate well.

### Suggested Triggers

- Forecast - Dry
- Dry Eye Symptom
- Dry Hair Care Sales Weather
- Skin Care Sales Weather
- Hand and Body Lotion Sales
- Seasonal Firsts
- Healthy Bar Sales
- Prepared Foods - Salads
- Outdoor Activities
- Outdoor Recreation Products



## Healthcare and pharmaceuticals: The new essentials

During the pandemic, consumers focused on boosting immunity through various vitamin supplements, as well as conducting their own research for products to mitigate the flu and common colds. Visits to doctors for basic illness or preventative treatment also significantly decreased as telehealth appointments increased.

Some 41 percent of The Weather Channel app users indicated they will adjust their health routines based on the weather and seasonality.<sup>2</sup>

### Insight

The trend toward consumer-driven research means that people are taking healthcare into their own hands, relying on online publications, friends and family recommendations, brand sites and social media to drive awareness and consideration.

Consider running media across The Weather Channel's digital properties to reach consumers who visit each day for information that keeps them safe and healthy.

### Insight

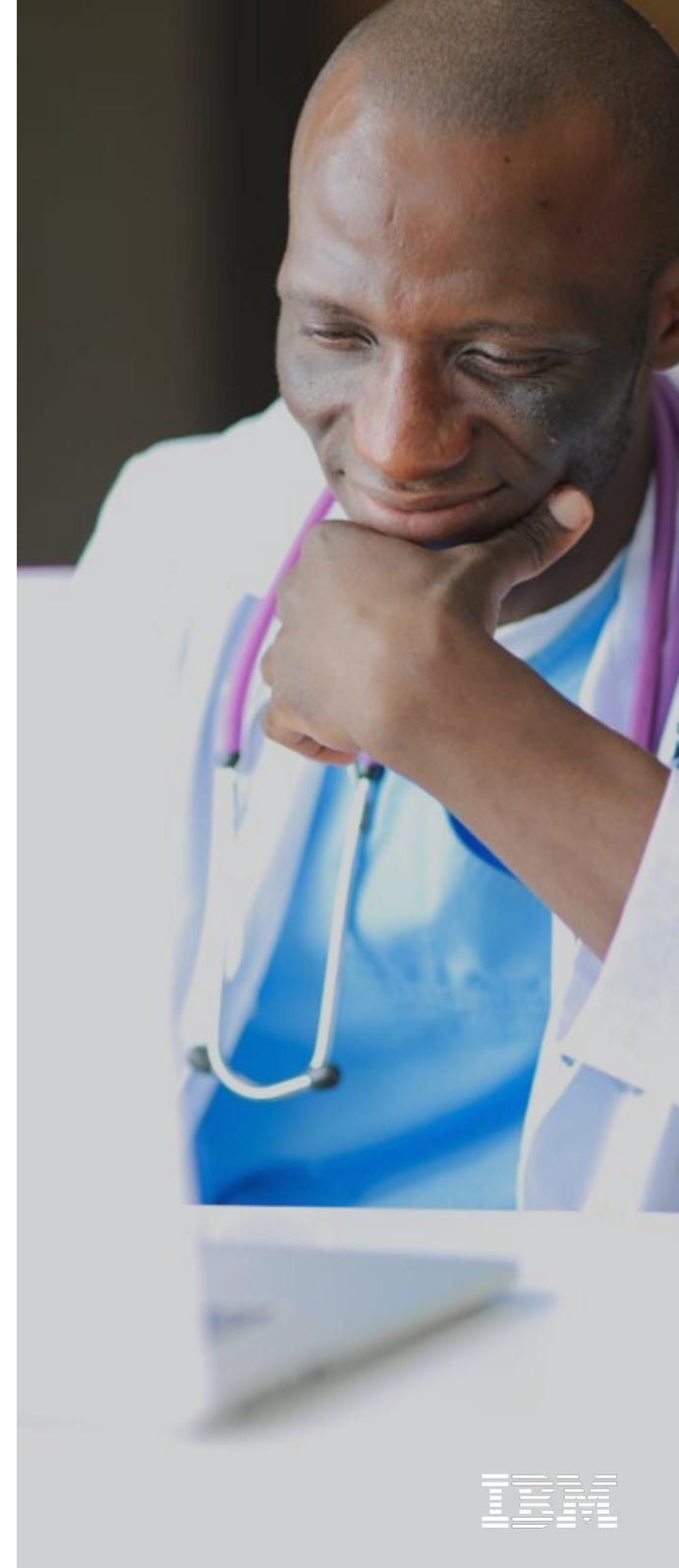
Consumers are open to adjusting health routines during periods of seasonal change and are impacted by day-to-day variables in weather, such as increasing rates of pollen or flu.

Drive awareness of allergy or illness when the weather is most likely to exacerbate health conditions. Create messaging around preparedness to help consumers understand how the upcoming season can impact their health.

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### Suggested Triggers

- COVID-19 Increasing or Decreasing
- Predictive Health – Allergy or Flu
- Watson Health Conditions
- Flu Weather
- Forecast Cough and Cold
- Allergy Symptom Weather
- Multi-Vitamin Sales Weather
- Pain Relief Sales



## Beverages: Satisfaction merges with safety

In the wake of the pandemic, consumers are likely to buy products that make them feel safe and prepared. For beverage companies, single-use and tamper-proof packaging will continue to earn favor. Along with these trends, be sure to use weather's impact on consumer behavior to reach consumers when they are in-market for your brand.

### Insight

Product sales spike during severe weather when consumers are likely anticipating a water or beverage shortage.

Focus messaging based on when and where severe weather is forecast, beginning as early as possible to help ensure consumers are prepared. Reduce messaging for at least a week post-event to avoid wasted media spend.

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### Insight

Summer and warmer seasons are when consumers are most in the market for beverage products, likely due to outdoor gatherings requiring portable hydration.

Because consumer perception of weather is relative based on their location, trigger messaging when temperatures "feel" warm to people in a specific area.

### Suggested Triggers

- Forecast - Warm or Hot
- Forecast - Severe Weather
- Beer - Hard Seltzer - Cider
- Beverage Sales
- Energy Drink Sales
- Bottled Water Sales
- Sports Drinks
- Sparkling Water



## Automotive: A disrupted playing field

While dealership incentives can impact vehicle sales, weather plays a significant role in driving consumers to the lot, ultimately helping to kick off the purchase journey.

### Insight

Sunnier days are ideal for shopping, test driving and purchase. Inclement weather such as snow, rain, hail and extreme cold deter in-person shopping but do drive online research.

Activate messaging geared toward in-person shopping around clear, warm days. Campaigns focused on online shopping can be impactful on days with inclement or cold weather.

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### Insight

While consumers are clearly more comfortable test driving on calm weather days, inclement weather like rain does allow for an increased focus on safety features.

Highlight safety features and encourage sales of windshield wipers and tires during inclement weather.

### Suggested Triggers

- Auto Dealer Weather
- Tire Sales Weather
- Windshield Wiper Sales Weather
- Auto Cleaner Sales Weather
- Auto Battery Sales Weather
- Car Service Weather
- Bad Driving Weather



## Unlock new brand insights with Watson AI and accurate weather data solutions

IBM Watson Advertising Weather Targeting is available across virtually the entire digital ecosystem, including programmatic display, social, search, video, email, and digital out-of-home (DOOH).

By recognizing the relationships between weather, location and complex data sets such as health conditions, product sales and consumer activity, this solution can help you:

- **Deliver** on campaign goals and objectives by serving relevant ads to consumers based on the projected impact of upcoming weather conditions in a given area.
- **Enhance** message relevance and resonance by triggering ads only when optimal conditions are present.
- **Improve** brand perception while supporting consumer privacy by avoiding the need to use third-party cookies or PII.

If your business is interested in gaining access to weather insights without the ability to trigger activations, **IBM Watson Advertising Weather Analytics** data solutions apply AI and machine learning to weather information from the world's most accurate forecaster<sup>5</sup> and complex data sets from partners like NielsenIQ, to find relationships between weather and product sales, activities and health conditions.

This analysis helps brands improve decisions by better understanding the correlation between weather and how consumers research, buy and use their product or service. Data is available across categories and regions to help your teams anticipate the impact of weather on consumers in a specific area.

**The Watson Advertising Weather Analytics solution is currently scheduled to be released in late 2021.**

<sup>5</sup> [Three-Region Accuracy Overview: 2010 through 2017](#)  
ForecastWatch.com, September 2018; The Weather Company is the world's **most accurate** forecaster, according to a 2010-2017 study, which is the most recent, most comprehensive study available from ForecastWatch.

To learn more about how AI-powered weather insights can help you make faster, better marketing decisions across channels without using cookies, visit [ibm.com/products/weather-targeting](https://ibm.com/products/weather-targeting).

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