

5 top retail stories from 2024: Discounts, Kroger's ecommerce, and Gen Z habits

Article

Value was the name of the game in 2024 as retailers scrambled to keep consumers shopping. But that wasn't the only thing on retailers' minds this year.

Here are five of our top stories from the year, from surprising [Gen Z](#) shopping behaviors to how Temu and [TikTok](#) made online shopping more fun.

[3 key consumer trends impacting shopping behavior in 2024](#)

Why it mattered: 2024 was challenging for retailers as consumers became more discerning with where and how they were shopping. This forced retailers to get creative, using [loyalty](#) programs to provide added value or attracting consumers in-store with unique experiences like product demos or workshops. Pop-up experiences combined curation with a sense of urgency to get consumers spending.

Amid a highly competitive [retail environment](#), it's crucial for retailers to keep up with consumer shopping preferences and habits. This has increased the importance of customer data to understand current behaviors and predict future trends.

[Unexpected shopping behaviors from Gen Z, Gen Alpha offer lessons for retailers](#)

Why it mattered: Retailers paid close attention to Gen Z in 2024. While the generation sought digitally forward retail experiences, they also demonstrated a strong preference for shopping in-stores, challenging retailer assumptions about the digital natives. Similarly, Gen Alphas are developing strong brand preferences, despite the fact that most of them are still children.

Each generation of consumers that emerges presents retailers with challenges and opportunities. Retailers need to balance catering to each generation's preferences without alienating others. Authenticity is also key, especially among media-savvy younger generations.

[Kellogg's, Wendy's missteps prove now is not the time to experiment with pricing, brand positioning](#)

Why it mattered: Consumers were extra cost-conscious this year, which is why Kellogg Company and Wendy's got into some hot water with consumers by seeming insensitive to their financial struggles.

- Kellogg Co. stirred up controversy with an ad promoting cereal as an alternative to a more traditional dinner of chicken, while Wendy's said it would consider implementing dynamic pricing in an earnings call.
- Consumers were quick to respond with outrage, causing both companies to make statements clarifying their positioning.

Adjusting pricing strategies is inevitable, but brands need to consider how consumers will react before making any decisions. If prices must go up, it's essential that product quality and the customer experience also stay high.

Kroger: Retail media hasn't peaked, personalization can be profitable, and more insights from the retailer's 2023 fiscal year

Why it mattered: As the number of [retail media networks](#) has risen, there's concern that retail media ad spend could slow. But Kroger didn't seem worried in its FY 2023 earnings call. CEO Rodney McMullen predicted Kroger's retail media network would grow 20% this year, on pace with our forecast for [retail media](#)'s total growth this year (20.4%). McMullen also shared how personalizing digital promotions has benefited Kroger and the value of omnichannel shoppers.

Kroger was the eighth largest US retailer by ecommerce sales this year, according to our forecast. As an industry leader, Kroger's observations about consumers are valuable to other retailers, allowing them to validate or adjust their own strategies.

How TikTok, Temu, and Sephora are making online shopping fun

Why it mattered: Ecommerce retailers have spent years and millions of dollars on making the online shopping experience functional—which is crucial for ecommerce success. But it should be fun, too.

With endless scrolling and a strong commerce strategy, TikTok has become a major platform for [product discovery](#) while Temu's assortment of affordable goods appeals to consumers' desire for novelty. Gamification has helped beauty brand Sephora engage consumers beyond just making a purchase.

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