

# 3 lessons from NRF 2024

## Article

Nestlé follows trends to make sure it stocks the right merchandise. Moët Hennessy is headed to the Olympics as part of a global partnership. And The J.M. Smucker Company is choosing value over price. Here are three takeaways—each paired with a real-life case study—from NRF 2024: Retail's Big Show.

### 1. Products and marketing should evolve with consumer trends

In the snacking industry, consumers either want to be healthy or satisfy their sweet tooth, our analyst Suzy Davidkhanian said on an episode of our [“Behind the Numbers: Reimagining Retail” podcast](#). Brands need to make a variety of products if they want to reach consumers with different needs.

For example, the growing popularity of appetite suppressants such as Wegovy and Ozempic prompted Nestlé to explore ways to combat a potential decrease in snack demand. Although the company did not report a measurable decline in snack consumption, it's smart for Nestlé and other consumer packaged goods companies to respond to trends, like building out its range of meal and nutrient replacements.

## 2. Don't take partnerships lightly

A central question for big companies should be, "How do you bridge the gap between being a heritage brand and having modern, cultural, and widespread relevance?" Davidkhanian said. Alcohol brands, in particular, must rely on heavy branding because there is less product differentiation. "[Alcohol is] a product that has a lot of history and a formula that consumers expect, so when it comes to brand awareness, partnerships are really important," she said.

LVMH Moët Hennessy Louis Vuitton's partnership with the Paris 2024 Olympic and Paralympic Games, for example, will bring Moët Hennessy wines and spirits to guests at the events, increasing the brand's visibility to global audiences.

Consumer-driven partnerships aren't the only ones that deserve careful thought. It's crucial as a retailer to "think about sustainability with your partners, even if it's not visible to the consumer, because ... it has to be a joint commitment," Davidkhanian said.

A partnership with PepsiCo and Walmart, announced last July, will invest \$120 million in sustainable farms and their improvement of soil health and water quality. The seven-year commitment supports regenerative agriculture practices to help ensure the health of crops used in their products.

## 3. Price isn't everything

"Value means different things to different people. So understanding your target consumer and how they define value is critical," Davidkhanian said.

More than 60% of consumers worldwide say their purchases are driven by a product's or service's quality, compared with 43% who are driven by a low price, according to Q3 2023 data from the Qualtrics XM Institute.

J.M. Smucker raised the retail price of its products, which accounted for a 3% increase in sales YoY in fiscal Q2, although it didn't stop consumers from buying; sales of Uncrustables jumped 22%, a testament to its brand loyalty among parents who value the convenience and reliability of the pre-made frozen sandwiches.

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