

General Mills leans on value while Levi's, Nike, tout brand: 4 lessons from recent earnings calls

Article

[Retail marketers](#) should focus on brand marketing to combat consumers' desire for value. That was the main theme from General Mills, Nike, Levi's, and more brands' based on recent

earnings calls.

1. Value is paramount

General Mills is focusing on value to stay competitive, CEO and chairman Jeffrey L. Harmening said during an earnings call. For Harmening, value means giving consumers a reason to buy General Mills products rather than turning to cheaper private labels “whether that’s flakier biscuits or cheesier Annie’s mac and cheese or fudgier Betty Crocker brownies or reducing sugar in our kids’ cereals in K-12,” he said.

“Consumers are very focused on value, but value doesn’t mean price,” said our analyst Zak Stambor on a recent episode of [Behind the Numbers: Reimagining Retail](#). Instead, value means making sure money spent actually goes toward something of worth, rather than the cheapest option.

Harmening said communicating that value starts with strong advertising and brand awareness, using the Pillsbury Doughboy as an example. “We’re bringing the Doughboy back after a few years, and private label, they don’t have a Doughboy that we do,” he said.

2. Focus on brand marketing and storytelling

“This summer, we will cut through the clutter to create powerful energy for the Nike brand,” said John J. Donahoe, president and CEO of Nike. “We’re back doing what we do best, creating impactful storytelling, and ultimately, brand distinction in sport.”

For Nike, this means leveraging summer events like the Olympics by [showcasing new products in Paris](#) and historically underrepresented sports like women’s basketball by signing WNBA rookie Caitlin Clark.

Levi’s president and CEO Michelle Gass also emphasized the importance of brand marketing, calling attention to its [Live in Levi’s](#) campaign, which launched in April. Gass also pointed to earned media as both a marketing tactic and evidence of the brand’s relevance. “I don’t think there’s any better evidence or proof point than having someone like Beyonce, who is a culture shaper, to actually [name a song after us](#),” she said.

Some 36% of marketers worldwide are increasing brand marketing investments in 2024, up from 31% in 2023, according to December 2023 data from WARC. As [retail media](#) moves up

the funnel and third-party cookies go away, brands will focus more on making sure their name is recognizable and relevant, the way Nike and Levi's have made themselves synonymous with sports and denim, respectively.

3. Retailers need loyalty

Many retail companies emphasized the importance of [loyalty](#) during their earnings call.

- Dave & Buster's CEO Chris Morris said in an earnings call that loyalty members are up 23% and those members visit stores 2.5 times more than non-loyalty members.
- Walgreens Boots Alliance plans to “meaningfully build” out its loyalty program, according to CEO Tim Wentworth.
- Casey's General Stores CEO Darren Rebelez said customers in its loyalty program visited stores more often and spent more per trip than non-loyalty members.

The emphasis on loyalty reflects sluggish consumer behavior. [US consumer spending grew just 1.3%](#) during Q1, per the US Commerce Department, and 84% of US consumers ranked inflation as a top-three concern in Q2 2024, up five percentage points YoY, per TransUnion.

Loyalty programs encourage discount-minded shoppers to spend their limited budget with retailers. But they also are a way for retailers to collect valuable data on shoppers, which can be used within retail media networks to personalize advertising.

Shopper data is also important for personalizing deals within loyalty programs. The average US consumer was active in 9.0 loyalty programs in 2023, up from 7.6 in 2022, according to data from Bond and Visa. That same consumer was a member of 17.9 loyalty programs on average in 2023. The stickiest loyalty programs will target deals to the right shoppers, as noted in our [US Retail Loyalty Programs 2024](#) report.

4. Consumers want to take care of their health

The Simply Good Foods Company saw nutritional snacking category sales grow by 6.4%, attributing the success to consumers focusing on macronutrients and looking for high-protein, low-sugar, and low-carb options. “We continue to believe the [nutritional snacking] category has a long runway for growth,” said Geoff Tanner, president, CEO, and director of the company, in an earnings call.

Consumer packaged goods companies could emphasize nutritional aspects of their products to stand out with Gen Z and millennials. [Gen Zers](#) and [millennials](#) are focused on health, with 88% saying it's important to act now to promote longevity, according to Lifesum's 2024 State of Healthy Eating and Wellbeing report. The generations buy more wellness products and services than older generations, per an August 2023 McKinsey survey.

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