

EXECUTIVE PERSPECTIVES ON TOP RISKS AND OPPORTUNITIES

CPG and Retail Firms: Cybersecurity, Customer Experience and Supply Chain are Top Priorities

*By Carol Raimo, Managing Director and Global Leader, Consumer Products and Services
Jennifer Friese, Managing Director and Global leader, Digital*

Over the last 13 years, Protiviti has issued annual research reports on the top risks leaders face all over the world. This year, we have added an emphasis on opportunities coming out of these risks to help identify and respond proactively to emerging trends, market shifts and evolving customer expectations.

This paper offers specific insights into these risks and opportunities from the perspective of the consumer packaged goods (CPG) and retail industry group.

What are the most significant short-term (two-to-three years) concerns and risks on the minds of CPG and retail executives?

It's no surprise that the survey points to cyber threats as the biggest short-term risks, followed by labour-cost increases, supply chain uncertainty and third-party risks. Interestingly, these three risks are intertwined and, sometimes, can all be triggered by a single event.

Case in point: In June 2025, United Natural Foods Inc. (UNFI), a major U.S. grocery wholesaler, suffered a crippling cyberattack, temporarily shutting down the company's automated ordering and delivery services, which caused notable grocery shortages across North America. UNFI, a primary distributor for many grocery chains, including Whole Foods, said the cyberattack and the resulting outage caused nearly \$400 million in losses, including \$5 million in cybersecurity and legal expenses and \$20 million from additional labour, product spoilage and inefficiencies because of manual workarounds to serve clients. This is just one case highlighting the importance of focusing on third-party risks, supply chain management and tech modernisation holistically.

Top global near-term risks

2026 rank	Risk issue	Average*	2025 rank
1	Cyber threats	3.45	15
2	Increases in labor costs	3.38	6
3	Uncertainty surrounding core supply chain ecosystem	3.34	1
4	Third-party risks	3.30	7
5	Economic conditions, including inflationary pressures	3.16	3

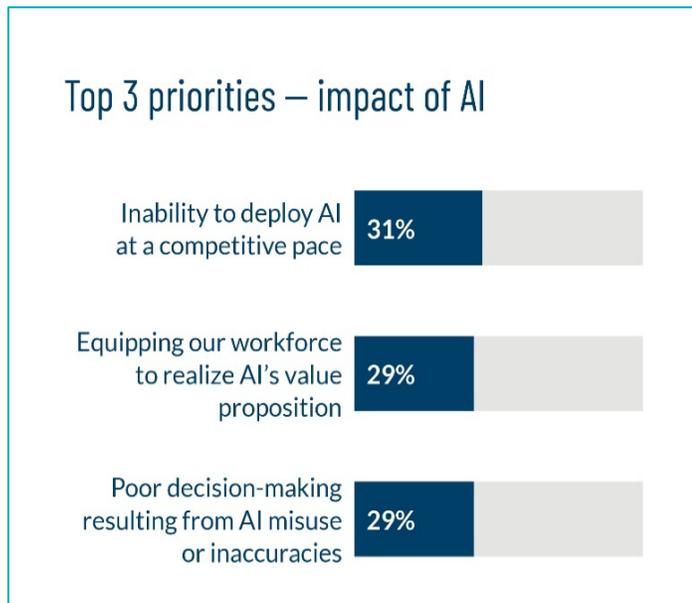
* Average based on a five-point scale where 1 reflects "No impact at all" and 5 reflects "Extensive impact."

Research also shows legacy applications continue to haunt the industry group and that security vulnerabilities increase with age. Retail and CPG organisations that proactively address aging systems will gain more than just efficiencies from new technologies like artificial intelligence (AI); they can unlock new revenue streams, reduce risk, attract top talent and position themselves to better compete in a digital future.

What will be the most significant AI-related challenges over the next two to three years for CPG and retail organisations?

Protiviti’s [2025 AI Pulse Surveys](#) showed retail organisations were largely preoccupied with integrating AI into their existing systems (like point-of-sale, enterprise resource planning, or ERP, and supply chain platforms), maintaining data quality and accessibility — especially concerning omnichannel customer data — and bridging the skills gap in AI engineering and data science.

The migration of important data and applications to the cloud — a step that helps with AI implementation while also making systems more adaptable to future needs — presents further hurdles.



Workforce readiness for AI is another multifaceted issue that is affecting not just customer-facing roles but other departments like supply chain management, inventory control and marketing analytics. For some organisations, getting staff ready may be a matter of basic AI training programs on digital literacy and customer-engagement strategies. For others, it is more complex, like employees in research-and-development departments needing to improve their skills to interpret AI-generated insights and apply them to product innovation.

Workforce readiness goes beyond technical skills. Ethical considerations and governance of AI remain essential parts of both integration strategies and workforce training. Cross-team collaboration and knowledge sharing and investing in leadership that supports AI adoption are critical.

As AI continues to permeate every aspect of CPG and retail operations, from accelerating creative development to next-generation segmentation and personalisation strategies to transforming shopping and customer service experiences, companies will need to ensure that AI implementation aligns with their core values and addresses potential biases.

Based on these near-term risks, in what areas are CPG and retail organisations likely to invest the most over the next two to three years, and why?

By a wide margin, the survey results show CPG and retail investments will focus on improving supply chains, followed by enhancements to customer experience and cybersecurity. These priorities are not (and should not be) mutually exclusive. Investing in supply chain technology improves speed, reliability and personalisation, which enhances the customers’ experience.

At the same time, digital enhancements may increase cybersecurity exposure, making cyber resilience a critical parallel investment. Modern supply chains rely on interconnected systems (ERP, the Internet of Things, vendor portals), which create more entry points for cyberattacks. A secure supply chain ensures that sensitive information (payment data, delivery addresses) is protected, which directly affects customer confidence and loyalty.

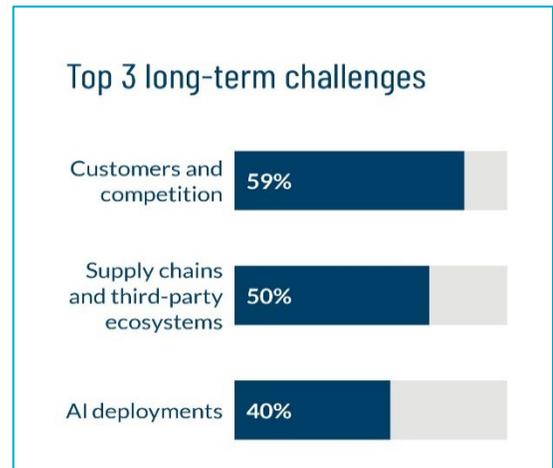
Expect retail and CPG investments in AI solutions to increase rapidly, with a focus on scaling AI-driven personalisation to enhance customer engagement and loyalty, deploying real-time demand signals to fine-tune pricing strategies, embedding agentic AI within supply chains to reduce costs, and using AI-enabled fraud detection systems to secure online transactions.



How do leaders in the retail and CPG industry view the 10-year risk outlook for their organisation?

Customer-centricity, resilience, sustainability and responsible AI are broadly recognised as key components for long-term success. There's also recognition that building agile supply chains and stronger partnerships are key to withstanding disruptions over the long term.

Many organisations are concentrating on expanding into new markets and diversifying revenue streams as essential strategies to mitigate long-term economic risks. As a long-term focus, leaders are making it a priority to integrate security and privacy into digital transformation initiatives to earn the trust of customers and regulators.



Where do CPG and retail industry leaders see the greatest opportunities for their organisation over the next two to three years?

Industry leaders see strong optimism for driving topline growth through new products, pricing strategies and enhanced customer engagement over the next few years. Many major brands are set to continue deploying predictive analytics to enhance customer experience, transitioning from reactive to dynamic engagement.

This effort involves deploying systems that can better interpret buying patterns and predict scenarios to support customers at every stage of their journey. For some organisations, this would involve collaborating with strategic partners, suppliers and technology providers to create integrated value chains. A notable example is Lululemon teaming up with Peloton to offer in-store fitness classes, leveraging the strengths of both brands to build communities and enhance customer engagement and loyalty.



Global and regional diversification present another key opportunity to reduce risk and capitalise on emerging market demand. Walmart, Proctor & Gamble and Unilever are just a few global players strategically targeting emerging markets with high growth potential, aligning their expansion strategies with local market dynamics and consumer preferences.

Where to focus

Here are a few things CPG and retail leaders can focus on to enhance operational resilience, foster innovation and achieve sustainable growth.

- **Smart AI integration:** AI will continue to revolutionise retail operations, but success will require thoughtful integration and strategic focus. This means selecting use cases carefully to balance opportunity with risk and developing workforce skills and operating models to safely support AI applications.
- **360 risk management:** Focusing on holistic risk management will help organisations secure and enhance operations from technology infrastructure to operating models. Ensuring a 360-degree risk review across all aspects of your organisation will mitigate negative exposure.
- **Technology optimisation for supply chain:** In the near term, enhancing supply chain technology will help boost speed, reliability and personalisation, directly benefiting the customer experience both online and in-store. In the long term, building agile supply chains, strengthening strategic partnerships, and diversifying revenue streams will be vital for withstanding disruptions over time.

Achieving success with AI requires thoughtful integration and strategic focus. This means selecting use cases carefully to balance opportunity and risk, while developing workforce skills and operating models to support AI applications effectively.

About the survey

Our 14th annual [Executive Perspectives on Top Risks and Opportunities Survey](#) contains insights from 1,540 board members and C-suite executives around the world regarding their views on:

- Three specific areas for growth considering the current environment
- Opportunities and challenges associated with the transformative impact of AI on their organisations
- Top near-term (two to three years) risks related to 28 specific risks across three dimensions (macroeconomic, strategic, and operational), and the top long-term (a decade from now) risks encompassing 12 risk themes
- Their organisations' near-term strategic investment priorities, given the opportunities and the risks they face.

The participants shared their views through an online survey conducted from early September through mid-October 2025.

About the authors



Carol Raimo is Protiviti's Global Consumer Products and Services Industry lead and has over 36 years of consulting experience. She is responsible for setting the strategy to provide industry-specific solutions to clients as they transform their business. Strategic areas of focus include e-commerce, omnichannel strategy, user/customer/employee experience, finance transformation, digital supply chain (including inventory management and loss prevention), audit/SOX, security and privacy, cloud migration, data analytics, and sustainability.



Jen Friese is a managing director at Protiviti and leads the Digital Experience and Platforms solution. Jen is a creative, results-focused leader with experience in devising and executing digital business and marketing strategies that build brands and drive growth. Jen's work includes leading digital and customer transformation projects, creative and product development, content strategy management and execution, employee experience strategy and implementation, and digital media strategy and buying.

Protiviti (www.protiviti.com) is a global consulting firm that delivers deep expertise, objective insights, a tailored approach and unparalleled collaboration to help leaders confidently face the future. Protiviti and its independent and locally owned member firms provide clients with consulting and managed solutions in finance, technology, operations, data, digital, legal, HR, risk and internal audit through a network of more than 90 offices in over 25 countries.

Named to the [Fortune 100 Best Companies to Work For](#)® list for the 11th consecutive year, Protiviti has served more than 80 percent of Fortune 100 and nearly 80 percent of Fortune 500 companies. The firm also works with government agencies and smaller, growing companies, including those looking to go public. Protiviti is a wholly owned subsidiary of Robert Half Inc. (NYSE: RHI).

© 2026 Protiviti Inc. An Equal Opportunity Employer M/F/Disability/Veterans. PRO-0226
Protiviti is not licensed or registered as a public accounting firm and does not issue opinions on financial statements or offer attestation services.

protiviti®