EXECUTIVE PERSPECTIVES ON TOP RISKS AND OPPORTUNITIES

for the Near - and Long - Term

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CPG and retail moving to intelligent execution to drive growth

CPG and retail leaders expect moderate growth in 2027, though the path forward is increasingly uncertain as leaders navigate supply-chain instability, challenges from new market entrants and replacement products and services. Economic pressures, customer loyalty and changing global trade policies add to the challenge, according to our latest Top Risks Survey.

Being nimble is a business imperative for both CPG and retail companies. The ability to predict changes in demand early and adjust production, inventory and distribution accordingly is critical to growth and operational efficiency. AI helps companies respond by accelerating decisions on pricing, merchandising, customer service and fulfilment.

But technology alone is insufficient. Companies also need to build the workforce capabilities, processes and accountability to turn better information into timely action.

In 2027, intelligent execution will be critical. Connecting data, AI, a skilled workforce and streamlined processes can accelerate decision-making, strengthen customer loyalty and help teams respond quickly to competitive and economic pressures.

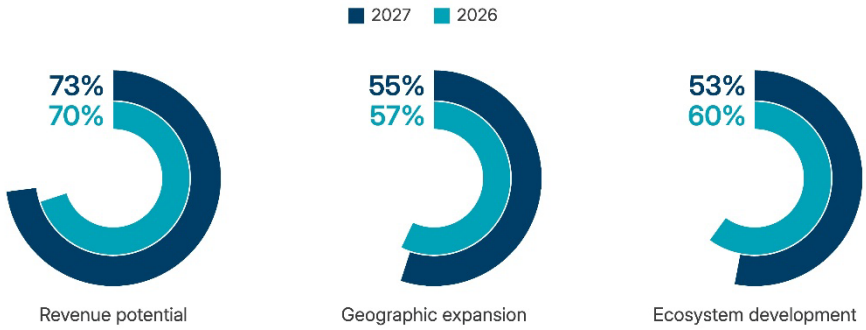
The survey shows that CPG and retail leaders are prioritising investments in supply-chain management and customer experience, while advanced analytics and business-process improvement recorded the largest year-over-year gains.

"Uncertainty is reshaping the path to growth, from supply chains to competition and global trade."

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

Revenue potential remains the strongest reported growth opportunity, with 73% agreeing it represents an opportunity in 2027, up modestly from 70% in 2026. CPG and retail companies are seeking growth in markets where they already operate so they can respond more quickly to changing consumer preferences and differentiate their offerings in increasingly crowded product categories.

Views about opportunities for growth.



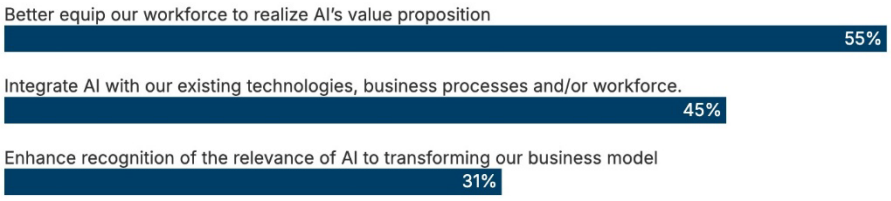
With high market saturation and low switching costs, consumers regularly have opportunities to explore new products and services. The real opportunity is not just in increasing sales, but also in gaining a deeper understanding of shifting consumer preferences and quickly aligning products, channels and experiences accordingly.

The industry's strong revenue expectations do not necessarily require traditional geographic or physical expansion. Take the global retail market as an example. Euromonitor International forecasts global retail ecommerce growth of 13% in 2026, with ecommerce accounting for 25% of global retail value, underscoring the growing importance of channel efficiency alongside physical expansion.

What priorities do CPG and retail leaders see as most important to maximising the value of AI deployments?

AI should not be a standalone technology initiative, but an enabler of faster decisions and better execution. The survey indicates that workforce readiness and AI enablement top the list for CPG and retail leaders seeking to maximise AI value, with integration into existing systems and processes coming next. These priorities rank ahead of governance, accountability and competitive deployment speed.

Top priorities for maximising the value of AI deployments.



55%

of CPG and retail leaders prioritise equipping their workforce to realise AI's value, putting people at the centre of intelligent execution.

The leading question is how CPG and retail companies can enable people and processes to use AI effectively, rather than simply how quickly they can deploy it. For AI-driven decisions to be faster, organisations need to specify which decisions can be made by systems, what boundaries apply, and who is ultimately accountable for the decision. The National Retail Federation describes this challenge as reducing the distance between intelligence, insight and action. It argues that if organisations fail to address those operating-model questions, they may implement faster technology yet maintain slow underlying processes.

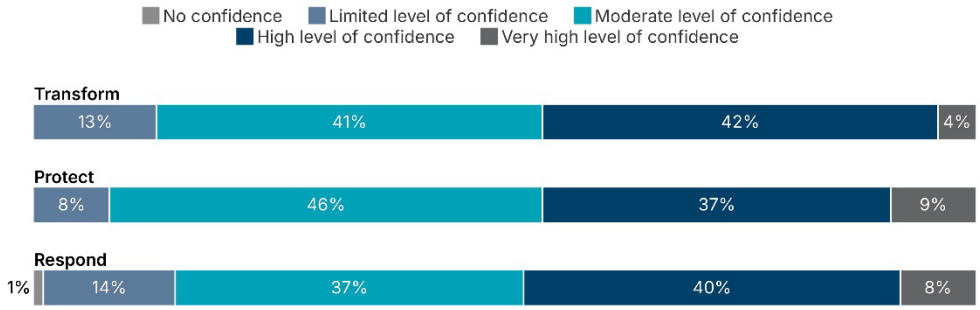
AI is also beginning to reshape both sides of the consumer relationship. CPG and retail companies are using AI to better understand demand and make faster operational decisions, while consumers are starting to use AI-enabled tools to discover and compare products.

According to a Euromonitor International report, AI-generated ecommerce referrals remain small at about 2% of referral traffic, but are growing rapidly, with generative AI beginning to shift discovery from conventional search results towards curated product recommendations. As a result, brands must ensure that their products are visible, understandable, and competitive when AI systems filter consumer options.

We asked CPG and retail leaders three specific questions about their views on the organisation's ability to (1) transform the enterprise, (2) protect enterprise value, and (3) respond with agility to market opportunities and risks. What did they tell us?

Only about half of CPG and retail leaders report high or very high confidence in their ability to respond (**48%**), transform (**46%**) or protect (**46%**) their organisations during market disruption.

Views about the ability to transform, protect and respond.



What are the most significant near-term concerns and risks on the minds of CPG and retail leaders?

Near-term risks point to concerns about maintaining product flow, protecting market share, responding to economic volatility and retaining customers.

Maintaining product flow depends on aligning demand signals with inventory and production. As organisations identify a shift in demand, can production respond immediately or is there a lag between insight and execution? Analytics that identify demand trends early can help companies adjust production and operations more quickly.

Another major concern is that consumers are finding it easier to discover and switch to alternatives within product categories as private labels compete on product features and differentiation, not just price. This means established brands need to do more than rely on past brand loyalty to

protect market share. As private labels and new market entrants increase competitive pressure, differentiation will depend on stronger product innovation, deeper customer insight, disciplined execution and tools that forecast demand shifts ahead of competitors.

Top five near-term risks.

Question	2027	2026
Uncertainty surrounding core supply chain ecosystem	3.48	3.34
Threats of new market entrants and substitute products and services	3.38	3.13
Economic conditions, including inflationary pressures	3.34	3.16
Sustaining customer loyalty and retention	3.32	3.12
Changes in global markets and trade policies	3.28	3.12

Inflation and economic conditions rank as the third-highest short-term risk for CPG and retail leaders. At the same time, trade uncertainty is becoming an operational challenge as tariffs, taxes, regulations and product-compliance pressures cause retailers to rethink fulfilment strategies, including positioning more inventory closer to demand.

Given these near-term risk issues, where do CPG and retail organisations plan to invest most?

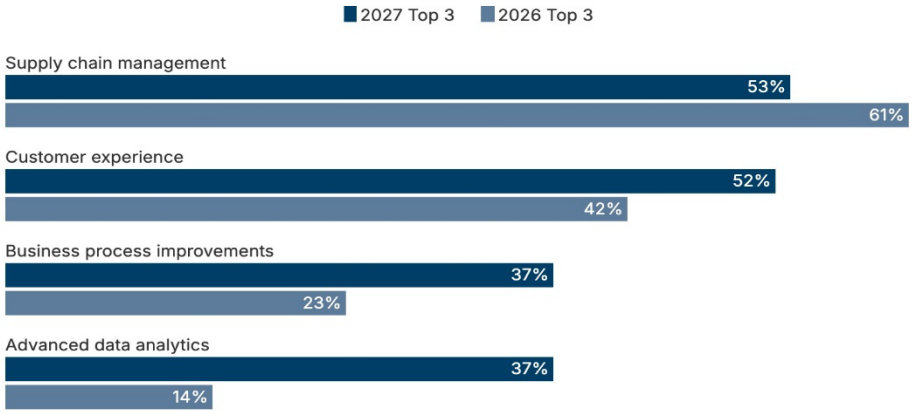
CPG and retail leaders are prioritising investments that strengthen execution, including more accurate demand forecasting and inventory management. They are also focused on personalised, seamless customer experiences and tools that can help them accelerate pricing and merchandising decisions and improve processes.

Companies need to understand changes in consumer demand while responding to cost, trade and supply-chain signals quickly to protect margins and product availability. For example, a retailer should be able to use analytics to detect a demand shift, translate that information into an

Advanced analytics saw the largest increase in investment priority, as concerns about organisations' ability to use analytics effectively also rose.

inventory or merchandising decision, improve the implementation process and ultimately deliver a better customer experience.

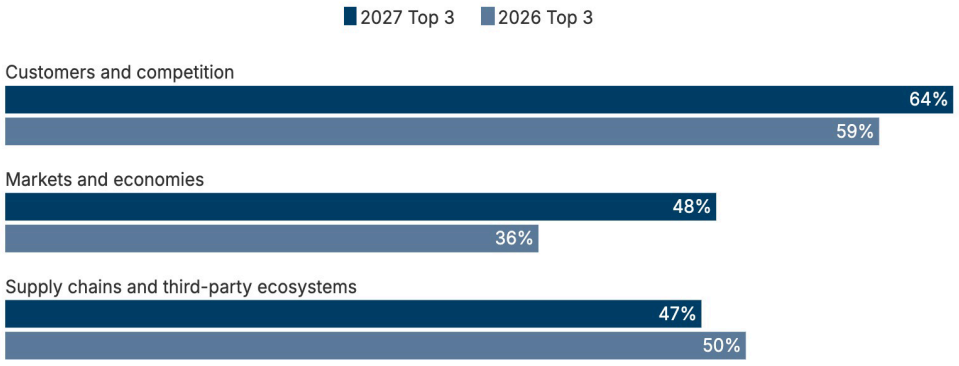
Top strategic investment priorities – 2026 vs. 2027.



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

The long-term outlook reinforces many of the near-term concerns, but the emphasis shifts from managing immediate disruption to sustaining competitive advantage. Over the longer term, leaders expect risks to merge into three fundamental challenges: securing the customer, adapting to economic shifts, and sustaining resilient supply chains.

Top three long-term risks – 2026 vs. 2027.



Leaders perceive technology and AI as critical to meeting their short-term needs while using them over the longer term to deepen customer insights, anticipate change and improve overall efficiency and scale..

About the survey

Our 15th annual **Executive Perspectives on Top Risks and Opportunities Survey** contains insights from 1,330 board members and C-suite executives around the world regarding their views on:

- Ability to transform and protect the enterprise and respond to market opportunities and risks;
- Opportunities for growth considering the current environment;
- Priorities perceived as most critical to maximising the value of AI deployments;
- The top risks on the horizon for the near-term (two to three years ahead) related to 30 specific risks across three dimensions (transform, protect and respond);
- A discussion of their organisations' near-term strategic investment priorities, given the opportunities and the risks they face; and
- The long-term horizon based on 11 risk themes that encompass the 30 near-term risk issues.

Our survey participants shared their views through an online survey conducted in June and July 2026.

About the author



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Jen is a results-focused leader with experience in devising and executing digital business and marketing strategies that build brands and drive growth. Her 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. As a growth-minded leader, Jen works with clients and teams to design customer-first solutions that drive growth and business security for the future. Contact Jennifer at jennifer.friese@protiviti.com.

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