



# KPMG global tech report: Consumer and retail insights

Accelerating with intent

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# Accelerating with intent: Why consumer and retail must level up on data

*Consumer and retail (C&R) companies are embracing digital transformation with a renewed sense of direction. To move forward at speed, they must ramp up investment in their data capabilities.*

Today's challenging economic climate is forcing consumers and organizations to adapt. According to KPMG's recent global [Consumer & Retail CEO Outlook](#), 81 percent of industry execs expect the cost of living crisis to negatively impact their organization for the next three years.<sup>1</sup> To succeed, consumer and retail companies must anticipate and adapt to consumers' evolving needs and preferences. Technology can help them achieve that. By harnessing the power of data, businesses can gain a deeper understanding of their customers, optimize their operations, and deliver personalized and seamless experiences that drive loyalty and growth.

But, the reality is, many C&R companies fall short with these data ambitions. As noted in KPMG's report: [From data overload to data-driven decisions in retail](#), "Many retailers are not able to [create] the unified data and insights [they require], due to inadequate infrastructure,

siloes data and departments, multiple but disparate technology systems, and out-of-sync transformations."<sup>2</sup>

Against this backdrop, the KPMG Global Tech Report 2024, based on a survey of 2,450 executives from 26 countries across eight sectors, explores how C&R businesses are using technology to create value at a time of significant volatility, and how they are overcoming challenges such as poor data quality, siloes data and capability gaps.

Our research, which features insights from 490 executives from C&R businesses, suggests the sector is pursuing a targeted technology investment strategy. More sophisticated data capabilities and scaling-up artificial intelligence (AI) use cases with trust and security in mind can help leading businesses secure competitive advantage.

“

In an era of rapid technological advancements, consumer and retail companies are amassing vast amounts of data. However, the challenge lies in transforming this data into actionable insights. While there is a consensus that data is pivotal for driving performance and competitiveness, many businesses struggle to convert it into meaningful outcomes. They find themselves inundated with information, yet lacking the critical insights necessary for sustainable growth and innovation.”

**Isabelle Allen**

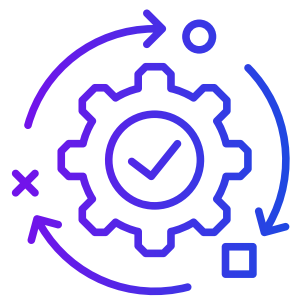
Global Head of Consumer & Retail, KPMG International

<sup>1</sup> KPMG, 'Consumer & Retail CEO Outlook', 2024.

<sup>2</sup> KPMG, 'From data overload to data-driven decisions in retail', 2025.

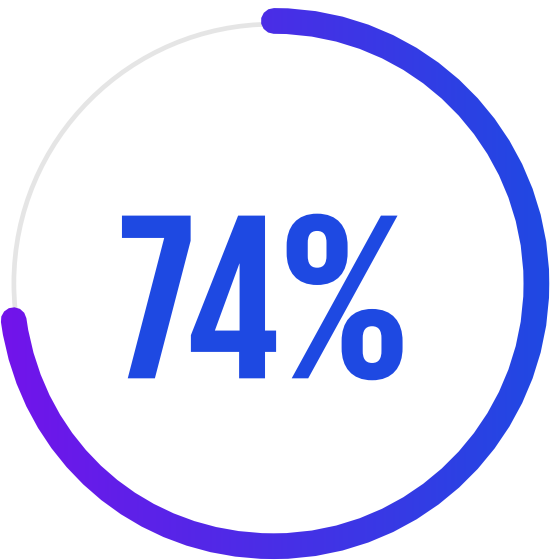


# Key findings

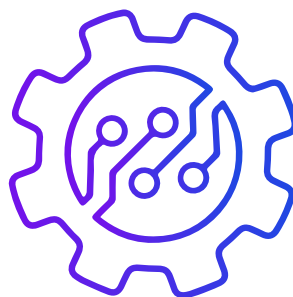


## The highly intentional digital transformation strategies of consumer and retail businesses are delivering superior results

In 2024, the proportion of technologies bringing profitability gains to C&R businesses saw a year-on-year increase. These companies' investment decisions are more disciplined and based on past success

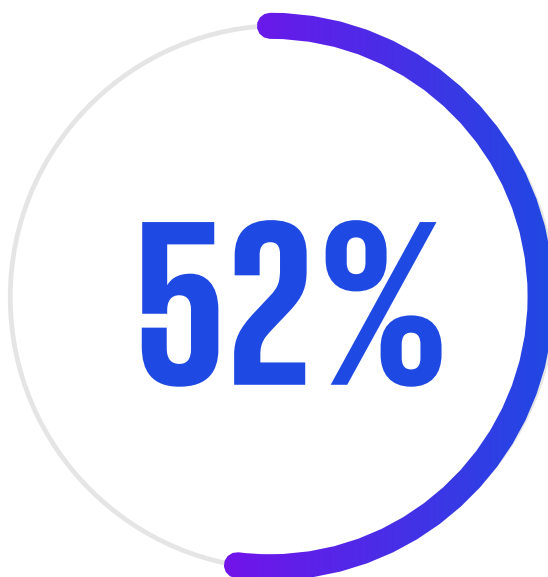


say their tech investment priorities reflect proven returns.



## Targeted improvements are enhancing the sector's data maturity

Over the past 12 months, C&R businesses have matured markedly in terms of their data management programs. For example,

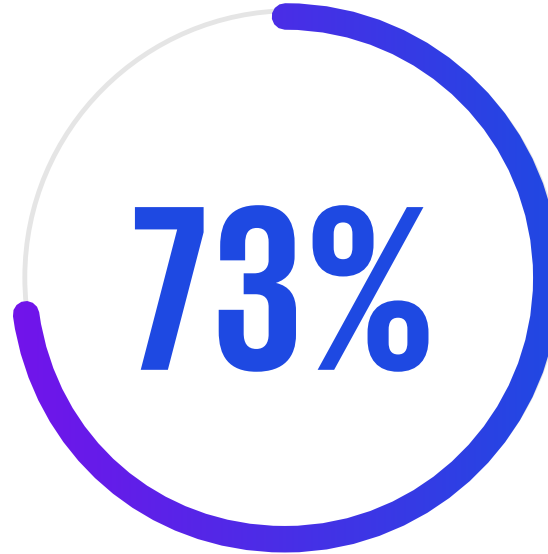


now say they are effectively securing insight from the data, up from **38 percent** a year ago. However, they still lag their peers in other sectors.



## AI is generating widespread business value, with operational efficiency and product innovation key aspirations

Around three-quarters



of C&R companies have already secured value from active AI use cases. Now, they are focusing on scaling and acceleration.

Source: KPMG global tech report 2024

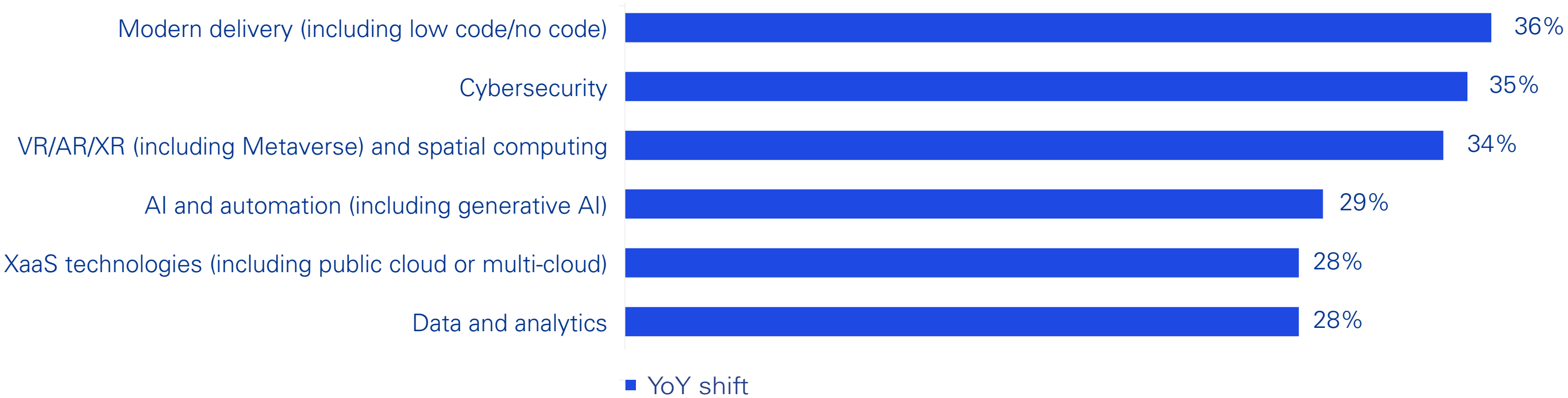


# The highly intentional digital transformation strategies of C&R businesses can deliver superior results

Rather than defaulting to copy their competitors’ tech investment choices, as seen in the 2023 research, C&R companies are shifting to a more targeted approach. They are focusing their tech spending on the areas with the greatest potential to drive returns. And this focused approach is paying off.

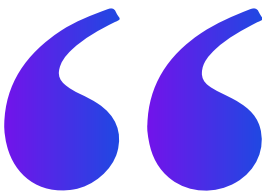
For every technology type in our research, the proportion of C&R companies reporting greater profitability because of their investments has increased year-on-year. Moreover, these businesses are more likely to see larger profit increases (10 percent or more) in comparison with the cross-sector average.

**Figure 1: Year-on-year increase in proportion of C&R technology executives confirming digital transformation efforts have positively impacted their organizations’ profitability**



Over the past 24 months, have your digital transformation efforts with the following technologies positively impacted your organization’s profitability? Increase summary

Source: KPMG global tech report 2024



Early adopters are yielding significant benefits,” confirms Martin Sokalski, US Consulting Technology Leader for Consumer and Retail KPMG in [country]. “AI-powered solutions are delivering quick returns in areas such as store support and inventory management. Data analytics tools are enabling them to identify their most profitable products and to get those in front of customers.”

In today’s price-conscious climate for consumers and businesses, data is unlocking greater profitability for the industry. As seen in the KPMG research ‘From data overload to data-driven decisions in retail’,<sup>3</sup> dynamic data-driven pricing tools that adapt prices to market forces, competitor moves and customer behavior patterns, are helping retail and consumer companies enhance their profits.

A KPMG report, ‘The Australian Retail Outlook,’ highlights the critical need for retailers to embrace advanced technologies to compete effectively. “The future of retail success lies in creating seamless, personalized, and engaging experiences that resonate with customers on an emotional level. This means leveraging data analytics to personalize the shopping experience and integrating backend systems to help achieve real-time visibility across touchpoints. By embracing these technologies, Australian retailers can capture a share of the growing e-commerce market and build lasting customer loyalty.” James Stewart, National Sector Leader for Consumer and Retail, KPMG Australia

Barry Raghunathan, Consumer & Retail Technology Leader at KPMG in [country], notes that the most productive change journeys in the sector are led by CIOs who prioritize a holistic technology strategy

that is underpinned by driving strategic business value, as opposed to seeking technology optimization alone. “The strategist lens goes beyond technological factors of a certain project in silo and adjusts to optimize the long-term impacts on, say, the employee experience and the strategic goals of the enterprise,” Raghunathan says.

The 2024 KPMG Global Tech Report data indicates that this strategist ethos is beginning to shape the sector’s spending habits. In contrast with 2023, instead of merely imitating their competitors’ investment patterns, C&R companies are now laser-focused on what works best for them. Consequently, following competitors is no longer the top driver of tech investment decisions. In this latest research, 74 percent say their priorities for technology investments reflect proven returns on previous investment, up from 50 percent in 2023. The number of companies investing based on the results of trials and proof-of-concept (PoC) testing has also increased markedly.

This disciplined and methodical investment approach is set to continue. While most C&R respondents plan to invest further in the tech categories measured, this is at a slightly lower rate than the cross-sector average, indicating considered restraint.



say their priorities for technology investments reflect proven returns on previous investment, up from 50 percent in 2023.

Source: KPMG global tech report 2024

<sup>3</sup> KPMG, ‘From data overload to data-driven decisions in retail’, 2025.



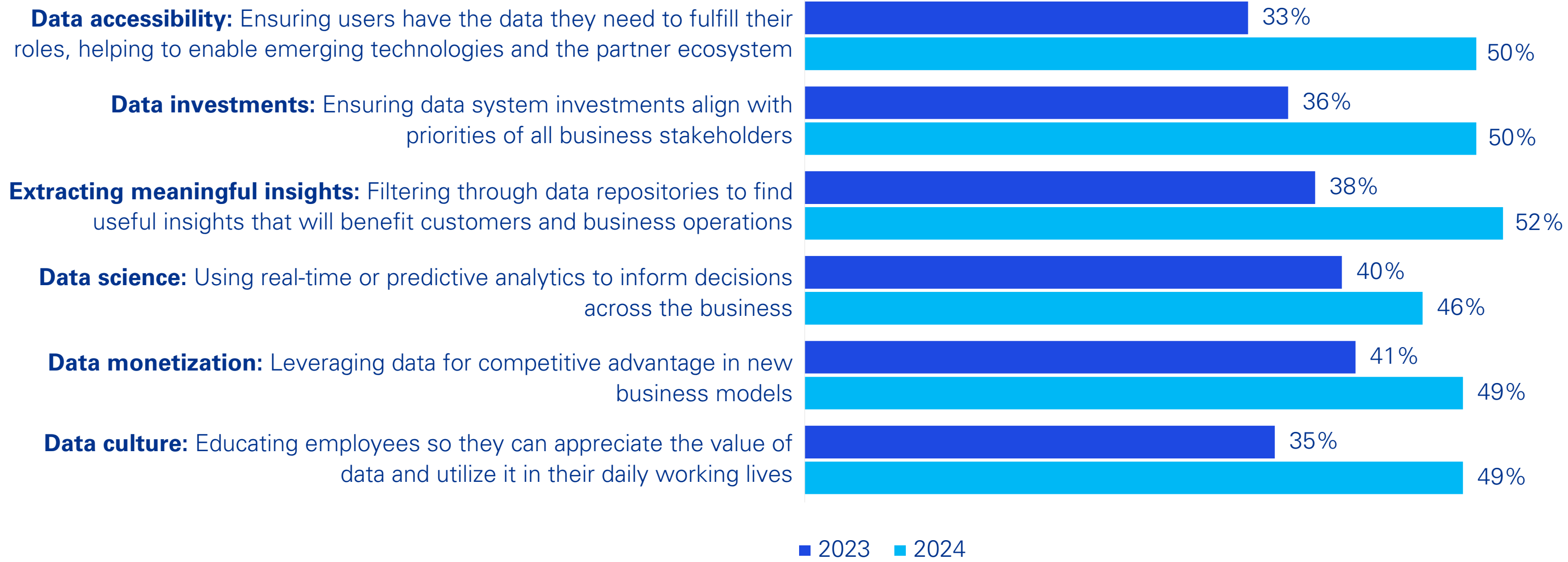
# Targeted improvements are enhancing data maturity

Over the past year, the proportion of C&R companies in our study reaching the most advanced stages of maturity for their data-management activities has increased significantly, with 52 percent of these businesses describing their ability to extract meaningful insight from data as ‘influential’ or ‘embedded,’ up from 38 percent in 2023. And 50 percent say the same about data accessibility, a 17-percentage-point increase on a year ago.

52%

of these businesses describing their ability to extract meaningful insight from data as ‘influential’ or ‘embedded,’ up from 38 percent in 2023.

Figure 2: Proportion of C&R respondents in the top two levels of data maturity (influential and embedded)



How effective are your data and analytics activities in the following areas? — Influential/Embedded SUMMARY

Source: KPMG global tech report 2024

Nevertheless, maturity in this sector lags the levels recorded in other sectors. According to Raghunathan, Consumer Packaged Goods (CPG) companies should strive to improve their first-party data efforts and how that data informs their workflows. And regarding third-party data strategies: “We’re seeing a lot of inefficiency, a lot of missed opportunities,” says Sokalski. “Thankfully, many in the sector are crafting a single view of the customer across different channels.”

While acquiring third-party data has long been the priority, many fail to utilize the data to its full potential for more targeted marketing — personalized recommendations, or improved supply chain management. Raghunathan cites the example of a leading CPG business that spends millions of dollars each year on third-party data from a retail partner but uses less than one-tenth of the data collected. As well as being more selective as to which third-party datasets they purchase, organizations should put those sources to work by using the insights to enhance their operations. For instance, learnings about customer appetites can help enhance product design and inventory management to minimize wastage, and insights on unit locations can bring new supply chain efficiencies to accelerate production and distribution.

One data management area of particular focus is the imperative to plug leaks in voice-of-the-customer data strategies. Indeed, 60 percent of C&R respondents say that they collect customer feedback but frequently fail to use the insights. Stubborn data disconnects between contact channels obstruct the transfer of customer insights across C&R businesses. These disconnects also limit the functionality of the omnichannel capabilities C&R companies have been investing into over the past decade. Despite years of work unifying data and silos into a centralized source, many companies are still yet to establish a true ‘single source of truth’ for their customer data, says Raghunathan.

So, rather than having seamless omnichannel interactions between a provider’s e-commerce platform, physical stores and marketing campaigns, for example, often consumers must endure fragmented shopping experiences because various pieces of data remain trapped within different channels. To help resolve this, the sector needs to persevere with prioritizing its first-party data strategies and addressing the data siloes and legacy systems that underpin its various delivery platforms.

Strengthening data foundations would also help C&R businesses to become more agile and adaptive. Many point to scenario-forecasting and risk-identification workshops as especially important to their ability to respond to evolving market trends and emerging risks.



of C&R respondents say that they collect customer feedback but frequently fail to use the insights. Stubborn data disconnects between contact channels obstruct the transfer of customer insights across C&R businesses.

Source: KPMG global tech report 2024

[Find out about our six key pillars for data strategies here.](#)

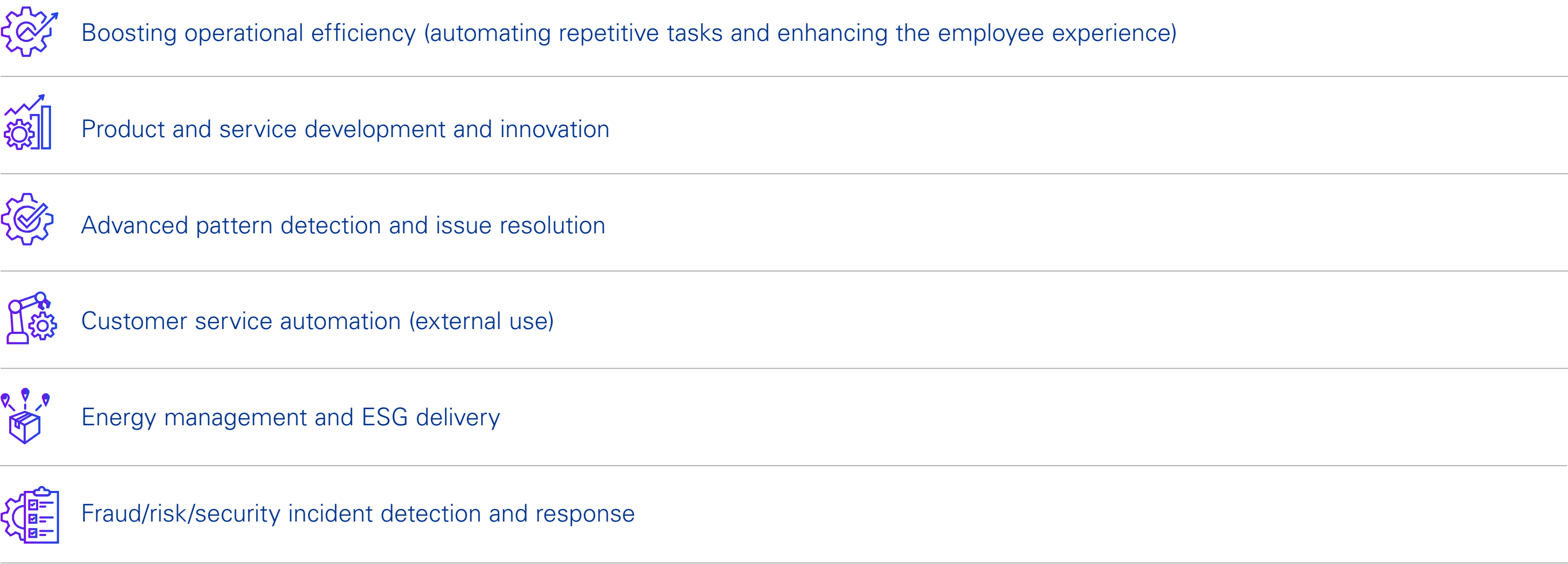
# AI is generating widespread business value

C&R businesses are implementing AI with some urgency: 73 percent report already having achieved business value from such initiatives. That mirrors the findings of [our recent research on retail in the Asia-Pacific region](#), where nearly every company surveyed is exploring or implementing AI. Several executives noted that the rate of uptake is surpassing any previous technology.<sup>4</sup> Similarly, our latest [Consumer & Retail CEO Outlook](#) research found leaders in the sector now see the race to embrace and embed generative AI (Gen AI) as their third-biggest challenge; only economic uncertainty and geopolitical complexity are more top-of-mind.<sup>5</sup>

Respondents to this research point to a wide range of examples, including opportunities for operational efficiencies and the potential to drive revenue growth through new product development.

<sup>4</sup> KPMG, 'Navigating the future of seamless commerce in Asia Pacific', 2024.  
<sup>5</sup> KPMG, 'Consumer & Retail CEO Outlook', 2024

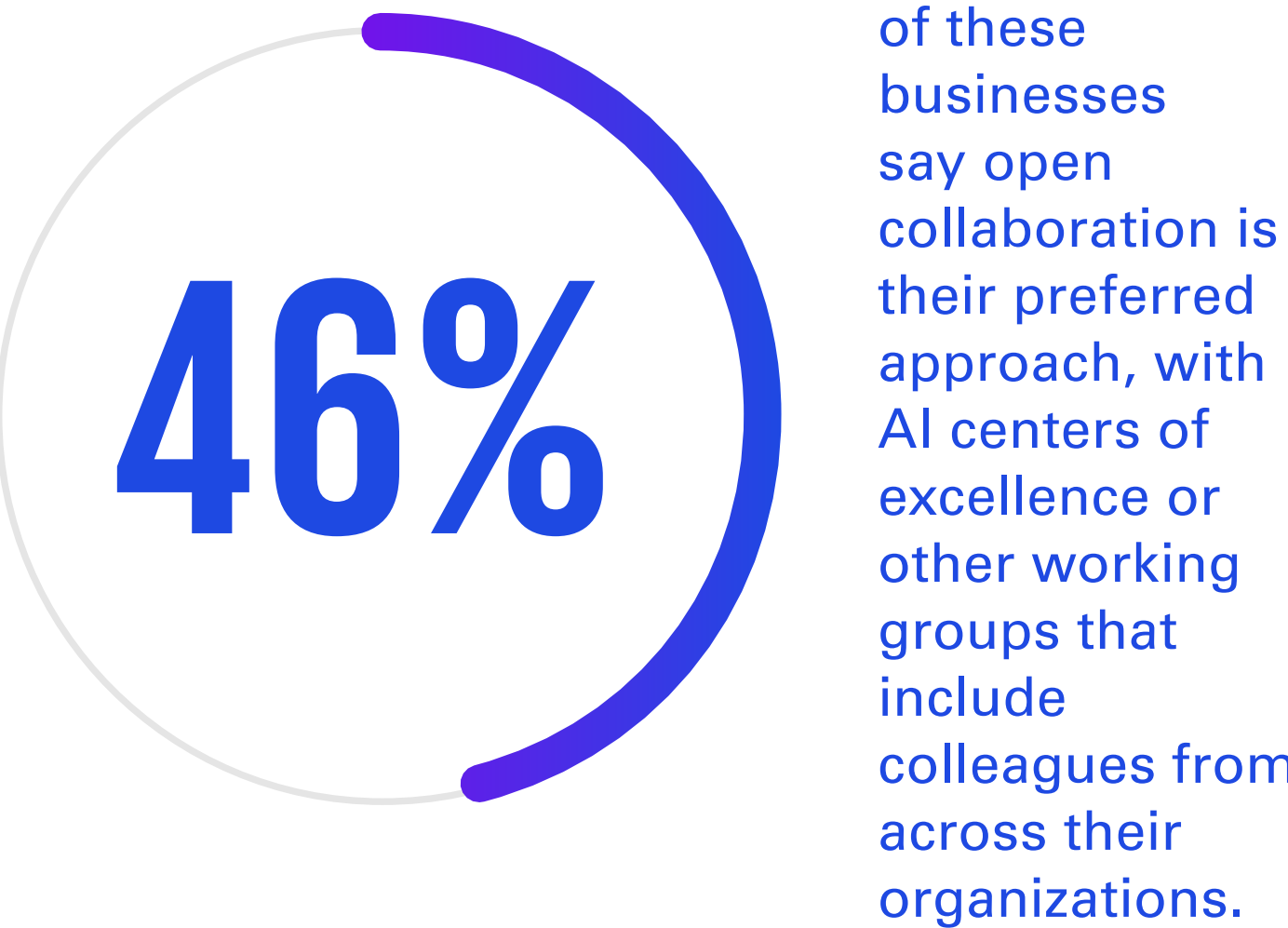
**Figure 3: Consumer and retail’s short-term goals for harnessing AI over the next two years (in order of priority)**



Source: KPMG global tech report 2024

C&R businesses encourage cross-functional collaboration to drive the discovery of new AI use cases. Indeed, 46 percent of these businesses say open collaboration is their preferred approach, with AI centers of excellence or other working groups that include colleagues from across their organizations.

As they scale AI implementation, C&R companies are conscious of the imperative to maintain good governance, with trust and cybersecurity key considerations. KPMG’s [C&R CEO Outlook](#)<sup>6</sup> found leaders preparing carefully to govern their own use of AI and automation. In that research, many C&R CEOs (84 percent — which



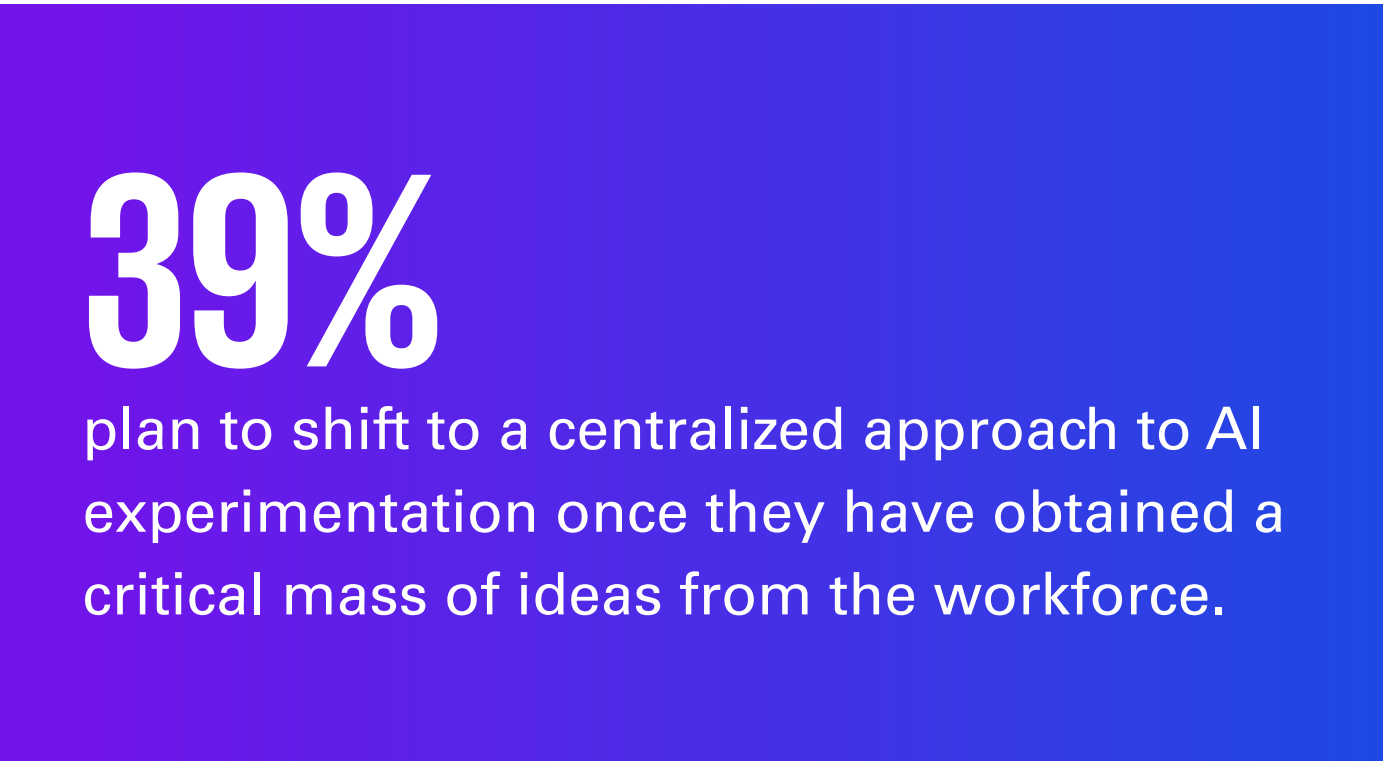
Source: KPMG global tech report 2024

<sup>6</sup> KPMG, 'Consumer & Retail CEO Outlook', 2024.

is higher than all other sectors surveyed) agreed that the degree of regulation for Gen AI should mirror that of climate commitments.

This governance imperative will likely see new control structures emerge. Currently, 39 percent plan to shift to a centralized approach to AI experimentation once they have obtained a critical mass of ideas from the workforce.

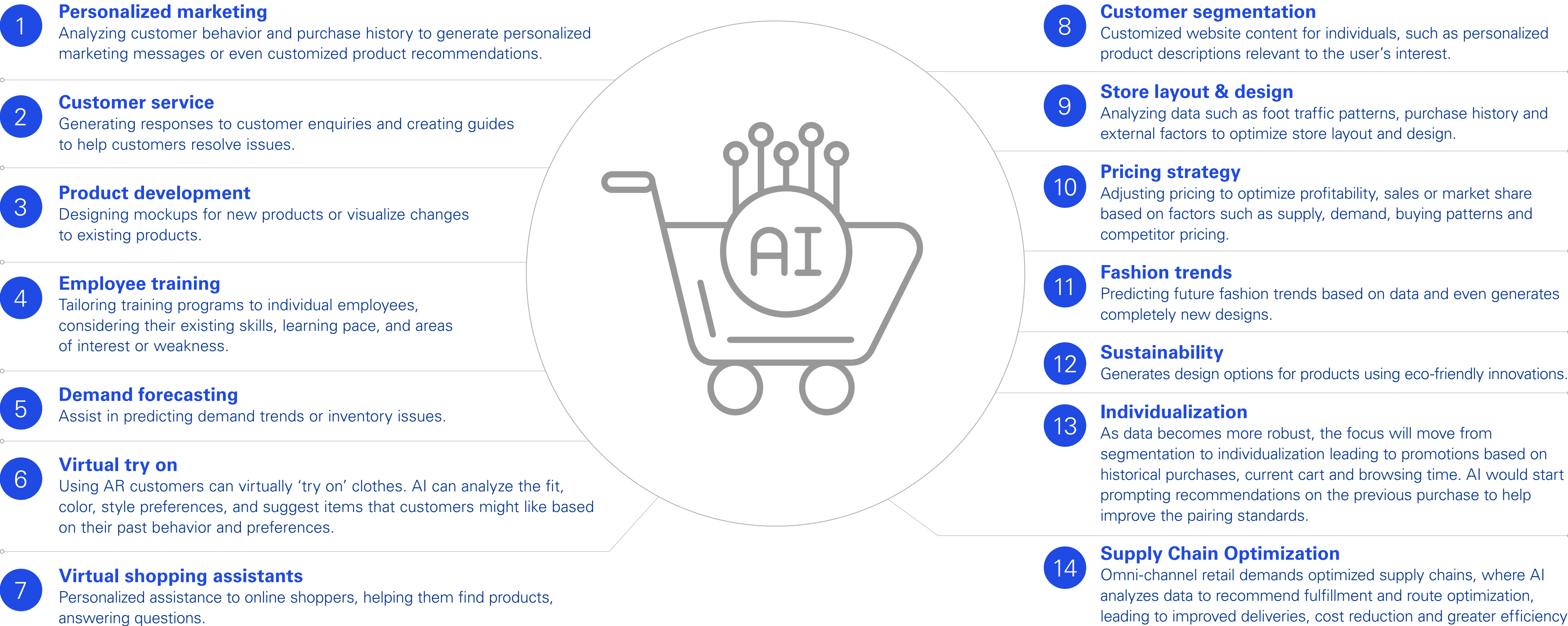
“The number of use cases is growing exponentially,” says Raghunathan. “C&R companies need to prioritize, but it also forces them to focus on governance. As these use cases come to life, it’s clear some of the models do include problematic biases.”



“Consumer and retail companies are rapidly transforming through digitalization and enhanced customer experiences. As Gen AI becomes a key investment area, organizations must prioritize a holistic strategy that aligns with immediate business goals and delivers sustainable value. This strategic approach should focus on the long-term impact on customer experience and overall business objectives, helping ensure that investments drive meaningful business value beyond individual technical projects.”

**Puneet Mansukhani**  
Head of Global Retail Digital  
Technology and Transformation  
KPMG in India

# Leading trends in AI in Retail





# The future for consumer and retail

Our research suggests C&R businesses are making good progress on digital innovation, benefiting from increased profitability as a result. Increased data maturity and investments in AI are paying off. Now, however, they must double down on their strategies to navigate the turbulent landscape with confidence and clarity. In particular, C&R executives should:

01.

Extend access to data, including first-party data, driving insight and business action, for instance with product design, warehouse operations and inventory management;
02.

Be ruthless in pulling the plug on third-party data acquisition projects that are not bringing in enough real value;
03.

Work cross-functionally to embed new capabilities into existing workflows, rather than simply adding new functionality to the technology stack;
04.

Optimize the in-store workforce to help improve margin and productivity: use data to optimize headcount modeling along with long-range planning, including predictive analysis capabilities to project peak hours based on internal and external factors such as seasonality, weather, historical traffic volumes and time of day;
05.

Look beyond the ‘low-hanging fruit’ for automation and Gen AI to focus on complex use cases, such as more accurate forecasting, better scenario planning and superior workforce management; and
06.

Build robust governance structures capable of protecting the organization and its key stakeholders as AI take-up accelerates.

Our research suggests C&R companies are at a key juncture in their digital transformation journeys. Their challenge now is to build on early successes with increased investment in data, AI and other technologies, while reviewing risk structures to help ensure crucial safeguards are in place.

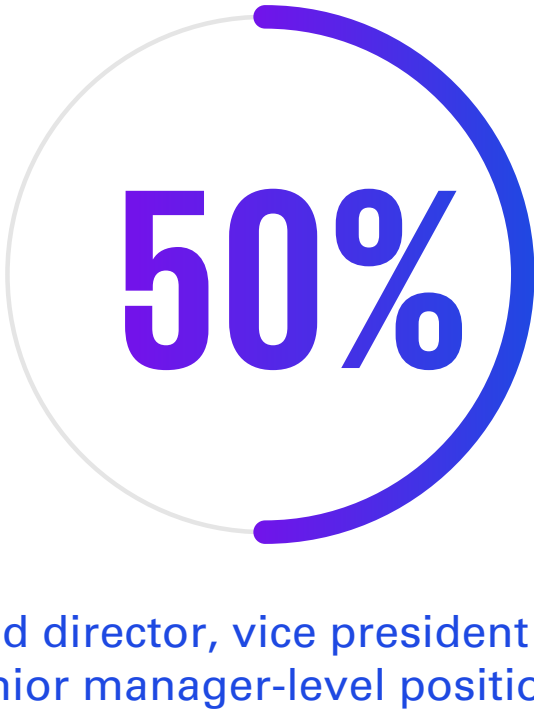
# Methodology

The KPMG global tech report 2024 surveyed **2,450 technology leaders** from



financial services, tech, retail and consumer packaged goods, industrial manufacturing, life sciences and pharmaceuticals, healthcare, government and public sector, and energy.

Survey respondents represented organizations with annual revenues above **US\$100 million** and included a diverse group of technology leaders, such as chief digital officers, **CIOs, CTOs, CISOs** and **chief AI officers**. A significant proportion of the sample was senior leaders:



This consumer and retail perspective draws on the views of **490 consumer and retail** technology leaders.

# About the authors



**Puneet Mansukhani**  
Head of Global Retail Digital  
Technology and Transformation  
KPMG in India

Puneet is the Retail Sector Head for KPMG in India and Lead of Global Retail Digital Technology and Transformation. Puneet supports member firms in strengthening relationships with large OEMs and boutique operators in the retail industry, emphasizing on value-driven, outcome-focused solutions that drive revenue growth for retailers. He prioritizes investment on AI/GenAI led front-end digital solutions that enable hyper-personalisation and enhance customer connects. Puneet has assisted retailers across various sectors, including fashion, footwear, electronics, grocery, convenience, super and hyper markets, food, in building integrated, robust solutions.



**Martin Sokalski**  
Consulting Technology Leader,  
Consumer & Retail  
KPMG in the US

Martin is a Consulting Technology Leader for Consumer and Retail, KPMG in the US. His focus is on emerging technologies like Intelligent Automation (RPA, AI/Machine Learning) Mobile, and Internet of Things (IoT). These technologies are disrupting and transforming strategies and operating models for organizations across a wide range of industry verticals. Martin leads initiatives relating to identifying and mitigating key risks and issues impacting the broader industry, development of thought leadership and capabilities, and directly engaging with clients and industry communities to resolve complex challenges.



**Barry Raghunathan**  
Principal — Data Management  
& Engineering Advisory,  
Consumer & Retail  
KPMG in the US

Barry is a Principal in KPMG Advisory services, KPMG in the US helping clients to successfully plan, design and implement enterprise wide Data Management and Business Intelligence solutions. He brings a variety of experience in all aspects of planning, designing, build and delivery of end to end Data Management, Data Integration, Business Intelligence reporting & analytics solutions. Barry has experience throughout the full Systems Development Life Cycle (SDLC) including requirements gathering, architecture, development, testing, and production migration. He has played multiple roles including Delivery Lead, Solution Architect, Project Manager, Business Analyst and Lead Developer. His ability to effectively grasp client requirements coupled with a deep technical knowledge in information management and business intelligence practices has proven instrumental in helping clients maximize their ROI in data investments.



# How KPMG can help

Consumer and retail companies are embracing digital transformation with a renewed sense of direction, but they face challenges such as poor data quality, siloed data, and capability gaps.

KPMG consumer and retail professionals can collaborate with you to help define a clear vision, execute tailored transformational strategies, and provide managed services for sustainable results. We combine deep sector experience with a global delivery network to support your digital transformation journey.

We offer innovative products, tailored technological solutions, and accelerators to help fast-track your transformation efforts. From strategy to execution, we provide in-depth services across platforms, cybersecurity, data and AI, emerging technologies, cloud, and risk management. Our holistic approach helps ensure long-term impacts on employee experience and strategic business goals.

Through strategic alliance partnerships, we address pressing consumer and retail technology challenges with expanded offerings and capabilities. Together, we can deliver impactful digital solutions that help unlock efficiencies, improve resilience, and support your growth.



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