1. Survey composition and executive summary
2. Agility vs. process certainty
3. Scale vs. personalization
4. Privacy vs. data sharing
5. Value vs. values
6. Culture vs. control
Sample composition

Overview
In association with *The Wall Street Journal*, A.T. Kearney launched a quantitative and qualitative study of 170 CPG and retail c-suite executives.

All respondents were screened to ensure:
- They hold the appropriate job title (CEO, CFO, or COO)
- They work in one of the listed industries at a U.S.-based company with sales in excess of $2 billion

Respondent Breakout

1. CEO includes 16 respondents with the Title of Owner/Partner
Sample composition – breakout by industry

- Big box/superstores & warehouse: 8%
- Consumer goods: 8%
- Convenience and pharmacies: 5%
- Department stores: 6%
- Drug manufacturers (OTC): 2%
- E-tailing & other retail: 6%
- Hardline retail: 14%
- Media/entertainment: 12%
- Softline retail (footwear and apparel): 9%
- Specialty food & grocery: 22%
- Wholesalers: 8%
Executive summary

We wanted to understand where executives see their businesses today, where they think they will need to be in 2026, and how their organizations are addressing change.

- **Agility vs. process certainty**: A majority of respondents agree there is a need to become more agile, effectively responsive in real-time, but while 40% saw "Culture" as the top hurdle to be cleared before agility can be achieved, only 11% have a specific plan to address it.

- **Scale vs. personalization**: While a majority believe products and services will have to become more personalized and customized by 2026, a full 21% of respondents indicated they still plan on offering mass market solutions in 2026.

- **Privacy vs. data sharing**: There is a clear understanding that data is the key to future success and an awareness of privacy concerns, yet there doesn’t seem to be much creative thinking about how to reward “new consumers” for sharing data beyond traditional methods.

- **Value vs. values**: Most executives agree on the need to connect with consumers’ new ethical and moral concerns, but 14% have no plan to address the issue and or believe they can outsource the answer.

- **Culture vs. Control**: While Most respondents stated a need to change and become more innovative in terms of solutions and organizational process and decision making models– 87 percent of respondents said they would continue to prioritize cultural fit over disruptive thinking when recruiting new talent.
1. Survey composition and executive summary

2. Agility vs. process certainty

3. Scale vs. personalization

4. Privacy vs. data sharing

5. Value vs. values

6. Culture vs. control
Respondents recognize the need for agility...

Q: What business processes and systems does your organization currently embrace today?
Q: Which of the following approaches do you believe your organization will adopt by 2026?

47% of respondents say they will be totally agile or more agile than balanced in 2026 vs. 39% today

Agility goals by industry

- 75% Non-food wholesalers
- 67% Drug manufacturers (OTC)
- 60% Department stores
- 57% Convenience & pharmacy

% of all respondents who believe their companies will become more agile by 2026

Note: Numbers may not resolve due to rounding
Source: A.T. Kearney Consumers@250 Executive survey
...and achieving this is a top priority

Q: How much of a priority is making this change in your organization?

Prioritization by respondents who believe their companies will become more agile

By title

- CEOs: 63%
- CFOs: 61%
- COOs: 71%

By company size

- Large: >$10B
  - 81%
- Medium: $5B–$10B
  - 53%
- Small: <$5B
  - 63%

Source: A.T. Kearney Consumers@250 Executive survey
A more agile model is seen to have a big impact on revenue

Q: If you were to prioritize achieving a total-agility based model, what incremental revenue would you expect your organization to gain?

<table>
<thead>
<tr>
<th>Industry</th>
<th>Minimum</th>
<th>Average</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drug manufacturers (OTC)</td>
<td>19%</td>
<td>46%</td>
<td>100%</td>
</tr>
<tr>
<td>Media/entertainment</td>
<td>24%</td>
<td>39%</td>
<td>55%</td>
</tr>
<tr>
<td>E-tailing and other retail</td>
<td>3%</td>
<td>28%</td>
<td>91%</td>
</tr>
<tr>
<td>Wholesalers</td>
<td>5%</td>
<td>26%</td>
<td>70%</td>
</tr>
<tr>
<td>Consumer goods</td>
<td>0%</td>
<td>25%</td>
<td>80%</td>
</tr>
<tr>
<td>Convenience and pharmacies</td>
<td>5%</td>
<td>24%</td>
<td>40%</td>
</tr>
<tr>
<td>Specialty food and grocery</td>
<td>0%</td>
<td>24%</td>
<td>80%</td>
</tr>
<tr>
<td>Softline retail (footwear and apparel)</td>
<td>5%</td>
<td>21%</td>
<td>53%</td>
</tr>
<tr>
<td>Department stores</td>
<td>2%</td>
<td>17%</td>
<td>92%</td>
</tr>
<tr>
<td>Big box/superstores and warehouse</td>
<td>3%</td>
<td>15%</td>
<td>50%</td>
</tr>
<tr>
<td>Hardline retail</td>
<td>1%</td>
<td>13%</td>
<td>60%</td>
</tr>
</tbody>
</table>

Estimated average revenue lift of 23%

Note: Numbers may not resolve due to rounding
Source: A.T. Kearney Consumers@250 Executive survey
Cultural issues are seen as the main barriers to agility but…

Q: What are the main barriers holding back your organization from becoming agile?

Open-ended responses (% by category)

- Culture: 40%
- Resources: 15%
- Lack of technology: 12%
- Deficient processes: 8%
- Unclear definition of agility: 7%
- Talent-related issues: 7%
- Training: 4%
- Company Growth: 2%
- Other: 4%

Select quotes from respondents

**Culture**
- “One barrier is to get over fears of totally overhauling a system that's been proven to work”
  – CEO, +5B Food Specialty Store
- “Risk aversion is a big barrier. Leadership also likes having lot of information which can turn into analysis paralysis”
  – CFO, +10B, Groceries

**Resources**
- “Leadership buy in and figuring out if we truly have the resources for the agility we need to accomplish.”
  – CFO, +2B Wholesale

**Technology and Processes**
- “Lack of data and systems for quick, fact-based decisions at key point of influence”
  – COO, +2B Retail
- “Legacy computer systems”
  – CFO, +2B Media

Note: Numbers may not resolve due to rounding
Source: A.T. Kearney Consumers@250 Executive survey
Q: What specific steps are you taking today to become a more agile organization?

Open-ended responses (% by category)

Training and development: 22%
Talent acquisition: 18%
Technology: 17%
Process improvement: 14%
Culture: 11%
Customer-centric focus: 6%
Resources: 5%
Communication: 3%
Other: 4%

Select quotes from respondents

**Training and Development**
- “Constant feedback, better work environment, greater training and ensuring career advancement to employees.”
  – COO, +2B Convenience and Pharmacies
- “Leadership development training to help drive change”
  – CFO, +5B Clothing Stores

**Talent Acquisition**
- “Bringing in members of management from outside to bring new perspective.”
  – COO, +2B Consumer Goods

**Technology and Process Improvement**
- “We are looking at changing our internal programs to be more of a Lean corporation”
  – CEO, +2B Department Store

Note: Numbers may not resolve due to rounding
Source: A.T. Kearney Consumers@250 Executive survey
Agility in 2026 by Industry

Q: Which of the following approaches do you believe your organization will adopt by 2026?

<table>
<thead>
<tr>
<th>Industry</th>
<th>Process-oriented</th>
<th>Hybrid</th>
<th>Agile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Media/entertainment</td>
<td>20%</td>
<td>80%</td>
<td></td>
</tr>
<tr>
<td>Consumer goods</td>
<td>14%</td>
<td>14%</td>
<td>71%</td>
</tr>
<tr>
<td>Wholesalers</td>
<td>15%</td>
<td>15%</td>
<td>69%</td>
</tr>
<tr>
<td>Drug manufacturers (OTC)</td>
<td>33%</td>
<td>30%</td>
<td>67%</td>
</tr>
<tr>
<td>Department stores</td>
<td>30%</td>
<td>30%</td>
<td>40%</td>
</tr>
<tr>
<td>E-tailing &amp; other retail</td>
<td>9%</td>
<td>45%</td>
<td>45%</td>
</tr>
<tr>
<td>Specialty food &amp; grocery</td>
<td>22%</td>
<td>41%</td>
<td>38%</td>
</tr>
<tr>
<td>Hardline retail</td>
<td>33%</td>
<td>29%</td>
<td>38%</td>
</tr>
<tr>
<td>Big box/ superstores &amp; warehouse</td>
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<td>46%</td>
<td>31%</td>
</tr>
<tr>
<td>Softline retail (footwear and apparel)</td>
<td>38%</td>
<td>31%</td>
<td>31%</td>
</tr>
<tr>
<td>Convenience and pharmacies</td>
<td>44%</td>
<td>33%</td>
<td>22%</td>
</tr>
</tbody>
</table>

Overall %

- **22% process-oriented**: Process model-actions are reviewed and approved
- **31% hybrid**: Hybrid model-balance between “process” and agility
- **47% agile**: Agility model-teams are responsive in real-time

Note: Numbers may not resolve due to rounding
Source: A.T. Kearney Consumers@250 Executive survey
1. Survey composition and executive summary
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3. Scale vs. personalization
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5. Value vs. values
6. Culture vs. control
Offering more personalization is a top priority

Q: How much of a priority is making this change in your organization?

Prioritization by respondents who anticipate offering more personalized products

- **High/Urgent Priority**: 62%
- **Medium Priority**: 28%
- **Low / Non-Priority**: 11%

**Breakout**

- **% who believe more personalization is an urgent / high priority**:
  - **CEOs**: 57%
  - **CFOs**: 65%
  - **COOs**: 65%

- **By company size**:
  - **Large (>$1B)**: 58%
  - **Medium ($5B–$10B)**: 62%
  - **Small (<$5B)**: 65%

Note: Numbers may not resolve due to rounding
Source: A.T. Kearney Consumers@250 Executive survey
Most respondents anticipate offering a significant level of personalization in 2026

Q: how would you describe your company’s approach to products/services today?
Q: Which of the following approaches do you believe your organization will adopt by 2026?

56% of respondents will be 50 to 100% personalized in 2026 vs. 47% today

Respondents expect to be moving away from 100% mass-produced

<table>
<thead>
<tr>
<th>Today</th>
<th>2026</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mass Produced - 100%</td>
<td>14%</td>
</tr>
<tr>
<td>Mass Customized/Mass Produced - 50%/50%</td>
<td>17%</td>
</tr>
<tr>
<td>Mass Customized - 100%</td>
<td>22%</td>
</tr>
<tr>
<td>Personalized/Mass Customized - 50%/50%</td>
<td>36%</td>
</tr>
<tr>
<td>Personalized - 100%</td>
<td>11%</td>
</tr>
</tbody>
</table>

38% of all respondents who anticipate offering more personalized products in 2026

Personalization goals by industry:
- 67% Drug manufacturers (OTC)
- 63% Non-food wholesalers
- 60% Jewelry & cosmetics
- 56% Convenience & pharmacy
- 50% Department stores

Note: Numbers may not resolve due to rounding
Source: A.T. Kearney Consumers@250 Executive survey
Respondents are focusing on data analytics and channel strategies to get there

Q: What specific steps are you taking today to offer a more personalized shopping experience to your consumers?

Open-ended responses (% by category)

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data Gathering</td>
<td>24%</td>
</tr>
<tr>
<td>Omnichannel focus</td>
<td>19%</td>
</tr>
<tr>
<td>Customer service</td>
<td>11%</td>
</tr>
<tr>
<td>Product offerings</td>
<td>11%</td>
</tr>
<tr>
<td>Communication/marketing</td>
<td>9%</td>
</tr>
<tr>
<td>Talent acquisition and training</td>
<td>9%</td>
</tr>
<tr>
<td>Discounts/pricing</td>
<td>8%</td>
</tr>
<tr>
<td>Shopping experience/services</td>
<td>8%</td>
</tr>
<tr>
<td>New technology</td>
<td>3%</td>
</tr>
</tbody>
</table>

Source: A.T. Kearney Consumers@250 Executive survey

Note: Numbers may not resolve due to rounding.
## Personalization in 2026 by Industry

Q: Which personalization approach will your organization adopt by 2026?

<table>
<thead>
<tr>
<th>Industry</th>
<th>Overall</th>
<th>Mass-produced</th>
<th>Mass-produced/50% Customized</th>
<th>Mass-customized/50% Personalized</th>
<th>Personalized</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drug manufacturers (OTC)</td>
<td>21%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Department stores</td>
<td>10%</td>
<td>10%</td>
<td></td>
<td>80%</td>
<td>100%</td>
</tr>
<tr>
<td>Wholesalers</td>
<td>38%</td>
<td></td>
<td>40%</td>
<td>62%</td>
<td>100%</td>
</tr>
<tr>
<td>Media/entertainment</td>
<td>10%</td>
<td>10%</td>
<td>40%</td>
<td>62%</td>
<td>100%</td>
</tr>
<tr>
<td>E-tailing &amp; other retail</td>
<td>18%</td>
<td>18%</td>
<td>18%</td>
<td>64%</td>
<td>100%</td>
</tr>
<tr>
<td>E-tailing and other retail</td>
<td>16%</td>
<td>16%</td>
<td>27%</td>
<td>57%</td>
<td>100%</td>
</tr>
<tr>
<td>Specialty food and grocery</td>
<td>25%</td>
<td>6%</td>
<td>6%</td>
<td>69%</td>
<td>100%</td>
</tr>
<tr>
<td>Big box/ superstores &amp; warehouse</td>
<td>31%</td>
<td></td>
<td>23%</td>
<td>46%</td>
<td>100%</td>
</tr>
<tr>
<td>Big box/superstores and warehouse</td>
<td>33%</td>
<td>11%</td>
<td>11%</td>
<td>56%</td>
<td>100%</td>
</tr>
<tr>
<td>Hardline retail</td>
<td>38%</td>
<td></td>
<td>21%</td>
<td>42%</td>
<td>100%</td>
</tr>
<tr>
<td>Consumer goods</td>
<td>36%</td>
<td></td>
<td>21%</td>
<td>43%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Note: Numbers may not resolve due to rounding

Source: A.T. Kearney Consumers@250 Executive survey
1. Survey composition and executive summary
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3. Scale vs. personalization
4. Privacy vs. data sharing
5. Value vs. values
6. Culture vs. control
Most respondents say they will not sell any data or will sell data only with explicit customer permission

Q: By 2026, how will your organization approach the sale of customer data?

The majority of respondents (86%) say they will either not sell any data at all or will sell data only with explicit permission.

Note: Numbers may not resolve due to rounding.
Source: A.T. Kearney Consumers@250 Executive survey
While 92% of respondents incentivize consumers for data access, they rely on traditional rewards.

Q: What are some specific ways in which your organization plans to incentivize customers for sharing their personal information?

Open-ended responses (% by category)

- Offering rewards: 84%
- Communicating Privacy Agreements: 8%
- Not Incentivizing: 8%

Offer rewards category (% by type)

- Discounts and coupons: 36%
- Loyalty/points program: 21%
- Extra services: 11%
- Gift cards: 9%
- Store card: 8%
- Cash/free items: 7%
- Others: 7%

Note: Numbers may not resolve due to rounding.
Source: A.T. Kearney Consumers@250 Executive survey
**Approach to customer data in 2026 by Industry**

Q: By 2026, how will your organization approach the sale of customer data?

Note: Numbers may not resolve due to rounding

Source: A.T. Kearney Consumers@250 Executive survey
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4. Privacy vs. data sharing
5. **Value vs. values**
6. Culture vs. control
64% of respondents believe more purchases will be driven by ethical concerns in 2026 vs. today.

Q: What percentage of actual purchases are being driven by ethical concerns today?
Q: What percentage of actual purchases do you believe will be driven by ethical concerns in 2026?

Note: Numbers may not resolve due to rounding
Source: A.T. Kearney Consumers@250 Executive survey
Respondents see transparent communications as key to incorporating ethical concerns

Q: What specific steps are you taking to incorporate the ethical concerns of your customer base into your product offerings?

Select quotes from respondents

**Clarity in Communications**
- “Timely release of information through ads and mass email.” – CEO, +5B Pet Store
- “We create a spirit of openness in the practice of marketing.” – CFO, +10B Convenience Store
- “Our endorsements are clear and transparent.” – CEO, +10B Clothing Store

**Listening to Customer Concerns**
- “We are listening to our customers and dropping brands that customers have ethical concerns with.” – CFO, +2B Supermarket
- “We make sure our customers' purchasing decisions are based on their preference, not our pressure.” – CEO, +2B Broadcaster

Open-ended responses (% by category)

- Transparent marketing/communications: 21%
- Listening to customer concerns: 21%
- No action plans: 14%
- Environmental actions: 10%
- Ethical pricing: 6%
- Adapt products portfolio: 5%
- Develop organic products: 5%
- Promote ethical culture: 3%
- Ethnic diversity: 3%
- Strategic partnership with vendors: 3%
- Internal processes: 2%
- Hire a consulting firm: 2%
- Other: 4%

Note: Numbers may not resolve due to rounding
Source: A.T. Kearney Consumers@250 Executive survey
**Ethically driven purchases in 2026 by Industry**

*Q: What percentage of actual purchases do you believe will be driven by ethical concerns in 2026?*

### Purchases driven by ethical concerns (% by industry)

<table>
<thead>
<tr>
<th>Industry</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>E-tailing and other retail</td>
<td>42%</td>
</tr>
<tr>
<td>Media/entertainment</td>
<td>41%</td>
</tr>
<tr>
<td>Big box/superstores and warehouse</td>
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<tr>
<td>Consumer goods</td>
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<td>Wholesalers</td>
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<tr>
<td>Specialty food and grocery</td>
<td>33%</td>
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<tr>
<td>Softline retail (footwear and apparel)</td>
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<tr>
<td>Department stores</td>
<td>17%</td>
</tr>
</tbody>
</table>

*Source: A.T. Kearney Consumers@250 Executive survey*
1. Survey Composition & Executive Summary
2. Agility vs. process certainty
3. Scale vs. personalization
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5. Value vs. values
6. **Culture vs. control**
Respondents expect to be moving away from hierarchy

Q: How would you describe your company’s culture and organizational structure today?
Q: Which of the following approaches do you believe your organization will adopt by 2026?

39% say will have a flatter organizational model in 2026 vs. 29% today

Note: Numbers may not resolve due to rounding
Source: A.T. Kearney Consumers@250 Executive survey
Nearly 50% of those who will move to a flatter organizational model view this as a top-priority.

Q: How much of a priority is making this change in your organization?

Prioritization by respondents who anticipate flatter organizational structure:

- High/Urgent Priority: 49%
- Medium Priority: 35%
- Low / Non-Priority: 16%

By title:
- CEOs: 40%
- CFOs: 45%
- COOs: 59%

By company size:
- Large (> $10B): 52%
- Medium ($5B–$10B): 22%
- Small (< $5B): 61%

Source: A.T. Kearney Consumers@250 Executive survey
Paradoxically, when recruiting new talent, 87% prioritize cultural fit over disruptive thinking

Q: By 2026, how will your organization approach recruitment of top talent? Please select one response.

87% of companies told us that when they are recruiting new talent they prioritize cultural fit over disruptive thinking.

49% of all respondents
• “We will target candidates who appear to be the best “cultural-fit”—that is, individuals who share a similar background with current staff and are most likely to conform and adapt to the core values and collective behaviors of the organization.”

38% of all respondents
• “We will recruit some candidates who bring non-disruptive diversity of thought, but whose backgrounds and values align with the collective behaviors of the organization.”

13% of all respondents
• “We will deliberately recruit diversity of thought, including disruptive thinkers.”

Source: A.T. Kearney Consumers@250 Executive survey
**Culture & organizational structure in 2026 by industry**

**Q: Which approach to culture and organizational structure will your organization adopt by 2026?**

<table>
<thead>
<tr>
<th>Industry</th>
<th>Control</th>
<th>Hybrid</th>
<th>Culture</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer goods</td>
<td>7%</td>
<td>21%</td>
<td>71%</td>
</tr>
<tr>
<td>Wholesalers</td>
<td>15%</td>
<td>23%</td>
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<td>Convenience and pharmacies</td>
<td>33%</td>
<td>22%</td>
<td>44%</td>
</tr>
<tr>
<td>Softline retail (footwear and apparel)</td>
<td>25%</td>
<td>56%</td>
<td>19%</td>
</tr>
</tbody>
</table>

**Overall %**
- **15% control**
  Process model-actions are reviewed and approved
- **46% hybrid**
  Hybrid model-balance between “process” and agility
- **39% culture**
  Agility model-teams are responsive in real-time

**Note:** Numbers may not resolve due to rounding

**Source:** A.T. Kearney Consumers@250 Executive survey