FROM INSIGHT TO IMPACT:

Closing the Gap Between Commercial Strategy and Supply Chain Execution (Part 1)

Contents

The Context: Insights from the DXC and ISG FMCG Executive Round Table

Why This Discussion Matters

This paper is grounded in the experiences, observations and challenges shared by senior FMCG [Fast-Moving Consumer Goods] leaders participating in a DXC and ISG executive round table spanning Revenue Growth Management (RGM), Commercial, Sales, Supply Chain, Operations, Finance and Technology functions. The discussion explored a critical question facing the industry: Why does so much value continue to leak between commercial planning and operational execution despite significant investment in technology, analytics, enterprise systems and transformation programmes?

What emerged was not primarily a discussion about technology or organisational structures. Instead, participants consistently returned to a common concern: While organisations have become increasingly sophisticated at generating commercial insights, they continue to struggle to translate those insights into executable and profitable outcomes. Across categories, regions and operating models, leaders described similar experiences. Pricing decisions, promotional plans, assortment strategies and customer commitments often appear compelling during planning cycles, yet the anticipated value is not always realised once execution begins. The gap between commercial ambition and operational reality remains larger than many organisations would like to acknowledge.

> Revenue is only realised when products are available, inventory is correctly positioned, fulfilment occurs as planned and customers receive what has been promised.

From Revenue Planning to Revenue Realisation

One of the strongest themes from the round table was the need to rethink how organisations define growth.

Historically, RGM has been viewed principally as a commercial discipline focused on pricing, trade investment, promotions, assortment optimisation and customer strategy. While these remain core capabilities, participants argued that this perspective is now incomplete. Growth can no longer be separated from execution. Revenue is not created when a pricing model is approved, a promotion is designed or a customer agreement is signed. Revenue is only realised when products are available, inventory is correctly positioned, fulfilment occurs as planned and customers receive what has been promised.

Many leaders observed that organisations have become highly effective at measuring planning effectiveness but considerably less effective at measuring execution effectiveness. Significant effort is invested in forecasting demand, modelling promotional uplift and optimising trade spend, yet comparatively less attention is paid to whether the supply network, operating model and governance processes can consistently convert those plans into profitable outcomes.

As a result, one conclusion emerged repeatedly throughout the discussion: RGM value is only realised when commercial decisions are executable.

Common Challenges Across the FMCG Sector

Although participants represented different markets and product categories, there was remarkable consistency in the issues raised.

Many organisations continue to struggle with fragmented data environments, disconnected planning processes, conflicting performance measures and multiple versions of the truth. Commercial teams, supply chain teams, finance functions and customer organisations frequently operate from different assumptions and planning horizons. While advanced analytics capabilities are often available, confidence in the underlying information remains uneven.

Participants emphasised that the challenge is rarely a lack of data. Most organisations possess more information than ever before. The challenge is determining which data should be trusted and how it should be used to support decisions. In many businesses, significant effort is still required to reconcile information between functions before action can be taken. By the time alignment is achieved, market conditions may already have shifted.

This led to a broader observation that the industry's challenge is increasingly one of decision architecture rather than technology architecture. Most organisations already possess substantial technology investments. The issue is how effectively people, processes, data and systems are connected to support timely and coordinated decision-making.

Operating in a More Complex Environment

Participants unanimously agreed that the operating environment facing FMCG organisations has become significantly more complex over recent years.

Consumer behaviour is evolving rapidly. Retailers are exerting greater pressure on suppliers. Private-label competition remains intense. Ecommerce and omnichannel models continue to reshape demand patterns. At the same time, supply chain disruptions, geopolitical uncertainty, inflationary pressures and input-cost volatility have become recurring management challenges rather than occasional exceptions. The emergence of AI and advanced analytics has further increased expectations regarding agility, responsiveness and decision speed.

Against this backdrop, many leaders described a growing mismatch between external complexity and internal operating models. Traditional planning processes were designed for slower and more predictable environments. Today's market demands greater agility, real-time visibility and closer integration between commercial and operational decision-making. Yet many organisations continue to rely on governance structures, planning cycles and performance frameworks developed for a different era.

As several participants noted, many organisations are attempting to operate in a 2030 marketplace with operating models designed for 2015.

As the distinction between commercial planning and operational execution becomes increasingly blurred, supply chain is emerging as a strategic growth capability rather than solely an operational function.

The Critical Role of Supply Chain Linkage

Perhaps the most significant conclusion from the round table was the changing role of supply chain within growth strategies.

Participants consistently argued that supply chain can no longer be viewed simply as a downstream executor of commercial decisions. Decisions relating to pricing, promotions, assortment and customer investments have direct implications for inventory, manufacturing, logistics, service levels and fulfilment performance. Equally, supply constraints increasingly determine which commercial opportunities are achievable and which are not.

As the distinction between commercial planning and operational execution becomes increasingly blurred, supply chain is emerging as a strategic growth capability rather than solely an operational function. Organisations that are making the greatest progress are not necessarily those with the most advanced technologies. Rather, they are those that have successfully connected commercial planning, operational planning and execution through shared governance, common metrics and integrated workflows.

Looking Forward

The round table ultimately reinforced a simple but powerful conclusion. The future of RGM is not primarily about deploying more tools, generating more analysis or creating additional dashboards. It is about building a connected operating model in which commercial ambition, operational capability and decision ownership are aligned around shared business outcomes.

Technology remains essential. Data remains foundational. AI will undoubtedly play an increasingly important role in FMCG decision-making. However, participants consistently emphasised that sustainable value creation will come from connecting these capabilities into a coherent system rather than pursuing them independently.

This paper reflects that collective perspective. It is a synthesis of executive discussion, practitioner experience and market observation from leaders facing many of the same challenges across the FMCG sector. While organisations differ in scale, geography and maturity, the underlying message was remarkably consistent: profitable growth increasingly depends on an organisation's ability to connect commercial decisions with operational reality. Those that successfully bridge that gap will be best positioned to transform insight into execution, ambition into performance and growth plans into measurable business outcomes.

The Core Issue: RGM Value Leaks Between Commercial Intent and Operational Execution

Revenue Growth Management (RGM) has become one of the most important strategic capabilities within the FMCG sector. Organisations increasingly rely on RGM to drive profitable growth through pricing, promotions, assortment optimisation, trade investment and customer strategy. Yet despite significant investment in analytics, planning platforms, Trade Promotion Management (TPM) systems and digital transformation programmes, many organisations continue to face a persistent challenge: The value identified through commercial planning is not always realised in execution.

The DXC and ISG executive round table revealed that this issue is not primarily a commercial problem. Most FMCG organisations are highly capable of identifying growth opportunities. They can model pricing scenarios, analyse promotional effectiveness, assess consumer demand patterns and develop sophisticated customer plans. The challenge emerges when these plans encounter operational realities such as production constraints, inventory limitations, supply shortages, logistics disruptions or retailer execution challenges. What appears attractive during planning does not always translate into profitable outcomes in market.

This gap between commercial intent and operational execution has become increasingly significant in today's operating environment. FMCG organisations face growing pressure from changing consumer behaviour, retailer expectations, private-label competition, supply chain volatility and margin pressures. Trade investment is under constant scrutiny, and executive teams are increasingly focused on demonstrable returns from every commercial decision. In such an environment, organisations can no longer absorb inefficiencies between planning and execution. Every missed promotion, stock-out, supply disruption or forecasting error directly affects revenue, profitability and customer relationships.

A recurring theme throughout the round table was that organisations often measure planning effectiveness more successfully than execution effectiveness. Commercial teams invest substantial effort in developing pricing strategies, promotional calendars and customer plans, yet relatively less attention is given to whether the organisation can consistently deliver against those commitments. As a result, organisations frequently achieve strong planning outcomes while still experiencing execution shortfalls.

At the centre of this challenge is the traditional separation between commercial planning and operational planning. In many organisations, commercial teams focus on growth opportunities, customer engagement and revenue targets. Supply chain teams concentrate on production, service levels, inventory and logistics. Finance focuses on profitability and cost management. Although these functions share common objectives, they often operate with different priorities, planning horizons and performance measures.

The consequence is that critical decisions are often made with incomplete visibility across the value chain. A promotion may be approved without a comprehensive understanding of manufacturing capacity. A pricing initiative may not fully account for changing cost-to-serve dynamics. A customer commitment may be finalised before inventory availability has been validated. Individually, these decisions may appear rational. Collectively, they create a pattern of value leakage that reduces both revenue and profitability.

One of the most significant insights from the discussion was that many organisations continue to view supply chain as a downstream execution function rather than a core contributor to growth. This reflects a legacy mindset that is becoming increasingly unsustainable. In practice, supply chain has become one of the primary determinants of whether RGM succeeds or fails. Promotions only generate value when products are available. Pricing strategies only succeed when inventory, replenishment and fulfilment processes support demand. Assortment decisions only create growth when manufacturing and distribution capabilities can sustain them.

> The most successful organisations are increasingly recognising that revenue generation and operational execution are inseparable.

Supply chain therefore no longer simply supports commercial strategy; it directly enables or constrains it. The most successful organisations are increasingly recognising that revenue generation and operational execution are inseparable.

The discussion also highlighted the role of data fragmentation in exacerbating these challenges. Most organisations possess vast amounts of data across ERP systems, TPM platforms, point-of-sale feeds, retailer systems and supply chain applications. Yet many participants reported ongoing difficulties in creating a trusted and unified picture of demand, supply and performance.

Different functions often work from different assumptions, definitions and datasets. Commercial teams may have one view of future demand while supply chain teams operate from another. Significant time is consequently spent reconciling information rather than making decisions. The issue is rarely a lack of data; it is a lack of confidence in the data available. As several participants observed, organisations frequently spend more time debating which numbers are correct than discussing what actions should be taken.

The emergence of AI and advanced analytics has made these issues even more visible. Organisations can now generate unprecedented levels of insight, scenario analysis and forecasting capability. However, insight does not automatically create value. Many leaders noted that their ability to generate recommendations is advancing faster than their ability to execute them.

AI can identify promotional opportunities, anticipate demand fluctuations and optimise trade investments, but unless those insights are embedded within connected decision-making processes, the benefits remain limited. Rather than eliminating organisational disconnects, AI often exposes them. The challenge is no longer generating insight; it is operationalising it.

This points to a broader shift in how organisations should think about RGM. The future is not defined primarily by better pricing models, larger datasets or more sophisticated algorithms. It is defined by the ability to create a connected decision system that links pricing, promotion, assortment, demand planning, supply planning and execution into a continuous and integrated process.

Revenue is not created when a plan is approved. Revenue is created when that plan is successfully executed in market and converted into profitable consumer demand.

Ultimately, the central issue facing FMCG organisations is not technology alone, nor trade spend effectiveness alone. It is the persistent leakage of value between commercial intent and operational execution. The organisations that will outperform are those that create stronger connections between RGM and supply chain, establish a trusted version of truth, clarify decision ownership and integrate execution realities into commercial planning from the outset. By doing so, they can transform RGM from a planning discipline into a true enterprise growth capability — one that consistently converts ambition into measurable business outcomes.

What We Heard from FMCG RGM Leaders

One of the most striking outcomes of the DXC and ISG executive round table was the consistency of the discussion. Participants represented different FMCG categories, geographies and organisational structures, yet many described remarkably similar challenges. While levels of digital maturity and technology investment varied, the underlying themes were consistent. The discussion centred less on technology itself and more on the practical realities of execution, alignment, ownership and trust. Across the sector, leaders recognised that the challenge is no longer identifying growth opportunities; it is consistently converting those opportunities into profitable outcomes.

Growth Is Not the Problem; Realising Growth Is

Participants broadly agreed that FMCG organisations have become increasingly sophisticated in identifying growth opportunities. Pricing analytics, promotional modelling, consumer insights, demand forecasting and category intelligence have all improved significantly over the past decade. Most organisations have invested heavily in RGM capabilities and possess a clear understanding of where potential growth opportunities exist.

However, leaders repeatedly highlighted the difference between identifying value and capturing value. Promotions that appear attractive during planning frequently underperform during execution. Pricing initiatives encounter operational constraints. Forecasts fail to translate into expected revenue outcomes. Customer commitments can become difficult to fulfil consistently. The issue is rarely a shortage of insight; rather, it is the difficulty of translating commercial ambition into operational reality.

Many participants described this as a "reality gap" between planning and execution. Growth strategies may be commercially sound, but their success ultimately depends upon inventory availability, manufacturing capacity, logistics performance, retailer execution and supply chain responsiveness. Commercial plans only create value when they can be executed effectively.

> The challenge is not generating data; it is establishing which information should be trusted when decisions need to be made.

Data Exists Everywhere, Trust Exists Nowhere

Data trust emerged as perhaps the most common challenge discussed during the round table.

Few leaders expressed concerns about a lack of information. Most organisations have access to extensive data from ERP platforms, TPM solutions, point-of-sale systems, retailer feeds, supply chain applications, finance systems and market intelligence providers. The challenge is not generating data; it is establishing which information should be trusted when decisions need to be made.

Participants described environments characterised by multiple versions of the truth. Commercial teams often work from different assumptions than supply chain teams, while finance and customer functions may maintain additional perspectives. As a result, organisations frequently spend significant time reconciling information rather than acting on it.

This creates several consequences. Decision-making slows, accountability becomes blurred and confidence in recommendations declines. Many leaders observed that organisations often spend more time debating the validity of information than discussing the actions required. Without a trusted demand signal shared across commercial and operational functions, opportunities are missed and responsiveness suffers.

Importantly, participants noted that this issue has become even more critical as organisations invest in AI and advanced analytics. Recommendations generated by AI are only as effective as the data on which they are based. If trust in underlying information is lacking, adoption of AI-driven insights becomes difficult regardless of the sophistication of the tools involved.

Supply Chain Is Becoming a Commercial Capability

A second major theme was the changing role of supply chain within growth strategies. Historically, supply chain was often viewed as a downstream operational function responsible for executing plans developed elsewhere in the organisation. Participants argued that this distinction is becoming increasingly outdated. Supply chain is now one of the primary determinants of whether commercial strategies succeed or fail. Leaders shared numerous examples where promotional plans, pricing initiatives or customer commitments failed to achieve expected outcomes because inventory was unavailable, manufacturing capacity was constrained or replenishment processes could not keep pace with demand. In many of these situations, the commercial strategy itself was not flawed. The challenge was execution capability.

This has important implications for how organisations think about RGM. Supply chain can no longer be viewed merely as an operational support function. It is increasingly a commercial enabler. Decisions concerning inventory, capacity, service levels and fulfilment now have direct impacts on promotional effectiveness, customer relationships, category performance and revenue growth. As a result, stronger alignment between RGM and supply chain is becoming a strategic necessity.

Ownership Remains Fragmented

Participants also highlighted persistent challenges relating to accountability and decision ownership.

Revenue growth spans multiple functions. RGM influences pricing and promotions. Sales owns customer relationships. Supply chain manages execution. Finance oversees profitability. Marketing drives demand creation. While each function contributes to growth, accountability for end-to-end outcomes often remains unclear.

This fragmentation can encourage local optimisation rather than enterprise optimisation. Commercial teams may pursue revenue opportunities that create operational risk. Supply chain teams may prioritise efficiency at the expense of growth opportunities. Finance may focus on control mechanisms that inadvertently reduce organisational agility.

Participants argued that future operating models must place greater emphasis on decision accountability rather than functional accountability. Organisations need clear ownership of decisions that sit at the intersection of revenue growth, service performance and profitability. Without this clarity, value leakage will continue to occur between functions

AI Will Expose Existing Weaknesses

AI featured prominently throughout the discussion, although leaders tended to view it as an amplifier rather than a standalone solution.

Participants were optimistic about AI's potential to improve forecasting, demand sensing, scenario modelling, promotional analysis and decision support. However, there waswidespread agreement that AI cannot compensate for weak operating models.

If data is fragmented, AI amplifies fragmentation. If ownership is unclear, recommendations become difficult to implement. If workflows remain disconnected, insights stay trapped in dashboards rather than driving action. Leaders repeatedly observed that many organisations are generating more insights than they can operationalise.

The question therefore is not whether organisations will adopt AI, but whether they have the governance, data foundations and decision structures required to convert AI-generated recommendations into measurable business outcomes.

The Need for a More Connected Operating Model

The strongest conclusion from the round table was the need for greater integration across commercial and operational functions.

Participants consistently emphasised the importance of connecting RGM, sales, supply chain, finance and technology through shared data, common objectives and integrated decision-making. Rather than optimising individual functions, leading organisations are increasingly focused on creating end-to-end decision flows that connect demand, pricing, promotion, supply and execution.

The consensus was clear. The FMCG industry does not suffer from a shortage of data, technology or growth ambition. The larger challenge is connecting these capabilities through trusted information, shared accountability and coordinated execution. Organisations that successfully build these connections will be better positioned to convert commercial intent into profitable and sustainable growth. Those that do not will continue to experience the same challenge discussed throughout the round table: value leakage between planning and reality.

The Practical Implications for Data, Governance, Metrics, Technology and Ways of Working

The discussions with FMCG RGM, commercial and supply chain leaders highlighted a consistent conclusion: the gap between commercial intent and operational execution is not simply a process challenge. It reflects how organisations manage information, make decisions, measure success, deploy technology and coordinate work across functions. While individual circumstances differ, participants agreed that future RGM success depends less on optimising individual functions and more on creating an integrated enterprise operating model that connects commercial ambition with execution capability.

Data: From Information Abundance to a Trusted Demand Signal

Perhaps the most striking insight was that most organisations do not suffer from a lack of data. Commercial, supply chain and finance teams typically have access to vast amounts of information through ERP platforms, TPM systems, retailer data feeds, point-of-sale information and external market intelligence. The problem is trust, consistency and alignment.

Many organisations continue to operate with multiple versions of the truth. Commercial teams may forecast demand differently from supply chain teams, while finance applies its own assumptions and definitions. As a result, significant effort is spent reconciling numbers rather than making decisions.

> The goal is not simply better reporting. It is enabling faster, more confident decisions.

The practical implication is that organisations must move beyond basic data integration and focus on creating a trusted enterprise demand signal. This requires common definitions, clear ownership, agreed governance and alignment across functions.

Leading organisations increasingly treat data as a shared enterprise asset rather than as the property of individual business units.

The goal is not simply better reporting. It is enabling faster, more confident decisions. When commercial and operational teams work from the same assumptions regarding demand, inventory, capacity and customer commitments, they can focus on responding to opportunities rather than debating data quality.

Governance: From Functional Ownership to Decision Ownership

Governance emerged as another critical factor influencing value realisation. Many FMCG organisations continue to operate along traditional functional boundaries Commercial teams own promotions and pricing, supply chain manages service and inventory, finance oversees profitability and controls, and sales manages customer relationships.

While this structure creates accountability within functions, it often creates ambiguity across functions. Promotional decisions may be made without considering supply constraints. Service-level decisions may inadvertently affect commercial performance. Financial controls may reduce organisational agility.

Participants argued that governance needs to evolve from functional control toward decision accountability. Organisations need clear ownership of outcomes when commercial goals, operational realities and financial objectives intersect. Pricing, promotion and assortment decisions should be jointly evaluated through a cross-functional lens rather than within individual silos.

The most effective governance models do not create additional layers of approval. Instead, they establish clear decision rights, shared information and collaborative forums that accelerate action. Governance should help organisations respond faster and with greater alignment rather than simply enforcing compliance.

Metrics: Measuring Enterprise Outcomes Rather Than Functional Activity

Leaders also highlighted the limitations of traditional performance measurement. Many organisations excel at measuring functional performance but struggle to assess enterprise outcomes.

Commercial teams are typically measured on revenue and volume growth. Supply chain teams focus on service levels, inventory and efficiency. Finance concentrates on margin and cost control. While each measure is valid individually, they can collectively drive behaviours that optimise local performance at the expense of enterprise value.

The implication is that organisations need a more integrated performance framework that connects commercial and operational objectives. Shared measures such as promotional profitability, forecast accuracy, customer service performance, product availability, margin quality and trade-spend effectiveness help align decision-making across functions.

Participants also stressed the importance of balancing lagging and leading indicators. Traditional post-event analysis remains important, but organisations increasingly require forward-looking metrics that provide visibility into emerging supply risks, forecast variances and execution challenges before they affect performance. The ability to anticipate issues is becoming just as important as measuring outcomes.

Technology: Enabling Connected Decision-Making

Technology featured prominently throughout the discussion, although not in the way many might expect. Participants generally agreed that most FMCG organisations already possess substantial technology investments across planning, forecasting, ERP, TPM, analytics and supply chain platforms.

The challenge is not a shortage of systems. The challenge is that many systems remain disconnected.

Future technology strategies should therefore prioritise integration, interoperability and workflow connectivity rather than simply adding new tools. The greatest value comes from connecting pricing decisions, promotional planning, demand forecasting, supply planning and financial visibility into a unified decision process.

Technology should help organisations understand the operational implications of commercial decisions before they are made. Instead of reporting outcomes after an event has occurred, systems should support proactive decision-making by highlighting risks, constraints and opportunities in real time.

This becomes even more important as AI capabilities mature. Participants consistently noted that AI will only create meaningful value if it is embedded into operational workflows. If fragmented data, disconnected processes and unclear ownership remain unresolved, AI may simply produce more recommendations that organisations struggle to act upon. The future lies not in more technology but in better decision intelligence.

Ways of Working: Building an Integrated Growth Engine

Perhaps the most significant implication concerns how organisations work. Traditional approaches often separate commercial planning from operational planning, creating hand-offs between teams and increasing the risk of value leakage.

Participants argued that this separation is becoming increasingly unsustainable. Revenue growth today depends on close coordination between RGM, sales, supply chain, finance and technology functions. Growth can no longer be designed by one function and executed by another.

Practically, this means establishing shared planning cycles, integrated governance forums and common operating rhythms. Promotional plans should be evaluated alongside supply capabilities. Demand signals should inform customer decisions in real time. Post-event learnings should feed directly into future planning cycles.

The objective is to create a closed-loop operating model where insight, planning, execution and learning continuously reinforce one another. Organisations that achieve this create faster decision-making, improved execution and stronger commercial outcomes.

Ultimately, the round table participants agreed that no single technology platform, organisational structure or KPI framework will solve the challenge alone. Sustainable RGM performance requires the integration of data, governance, metrics, technology and ways of working into a connected enterprise system. Organisations that build these connections will be better positioned to convert commercial ambition into executable, profitable and sustainable growth. Those that do not will continue to experience value leakage at precisely the point where plans encounter operational reality.

What Leaders Should Do Next

The discussions with FMCG Revenue Growth Management (RGM), commercial and supply chain leaders were valuable not because they identified new problems, but because they reinforced how consistently the same problems continue to appear across organisations. Data fragmentation, disconnected planning, unclear ownership, slow decision-making and weak linkage between commercial ambition and operational reality remain persistent barriers to growth. Most participants agreed that the challenge is no longer understanding what the issues are. The challenge is acting decisively to address them.

The implication for leaders is clear: Incremental improvements will not be sufficient. While technology upgrades, process improvements and data initiatives all have a role to play, organisations need a broader shift toward a more connected operating model in which commercial and operational decisions are managed as part of the same value creation system. The question is not whether transformation is needed, but where leaders should focus first.

Reframe RGM as an Enterprise Capability

The first step is to redefine how RGM is viewed within the organisation.

Many companies still treat RGM primarily as a commercial discipline focused on pricing, promotions and trade investment. While these remain critical responsibilities, the round table discussions highlighted that RGM increasingly influences and depends upon supply planning, inventory management, production capability, retail execution and financial performance. Revenue growth cannot be separated from operational execution.

Leaders should therefore reposition RGM as an enterprise capability rather than a functional one. Commercial decisions should be evaluated not only on their expected market impact but also on their executability, profitability and operational feasibility. This shift changes the conversation from "How do we generate demand?" to "How do we generate demand that can be fulfilled profitably and consistently?"

Commercial decisions should be evaluated not only on their expected market impact but also on their executability, profitability and operational feasibility.

Establish One Trusted Demand Signal

A second priority is addressing the trust deficit that exists around data.

Participants repeatedly noted that organisations are often rich in data but poor in alignment. Different functions frequently rely on different assumptions and alternative versions of truth. This creates delays, friction and uncertainty at precisely the moment when speed matters most.

Leaders should focus on creating a single trusted demand signal that integrates commercial, financial and operational information. This does not necessarily require replacing existing systems. It requires agreement on common definitions, ownership structures, governance principles and decision-support mechanisms. The objective is to ensure that all functions are working from the same fact base when important decisions are made.

Until organisations achieve this, many AI, analytics and planning investments will continue to underperform because trust remains fragmented even when information is plentiful.

Create Shared Accountability Across Functions

Another important lesson from the round table was that growth outcomes are often everyone's responsibility but nobody's accountability.

Commercial functions own revenue. Supply chain owns service. Finance owns profitability. Sales owns customer relationships. While logical, this structure can create misalignment when objectives conflict. Value leakage often occurs at the boundaries between functions rather than within them.

Leaders should therefore establish cross-functional accountability for critical growth decisions. Pricing, promotions, assortment changes and customer commitments should be evaluated jointly by commercial, supply chain and finance stakeholders. Shared outcomes should replace isolated performance objectives wherever possible.

Success increasingly depends on optimising the enterprise rather than optimising individual functions. Organisations that continue to rely solely on functional accountability will struggle to create the alignment required for faster, more effective decision-making.

Focus on Decision Quality Rather Than Technology Deployment

The round table discussions consistently reinforced that technology is important but not sufficient.

Most FMCG organisations already possess substantial investments in analytics, planning platforms, forecasting tools and TPM systems. The challenge is that many of these capabilities remain disconnected from operational workflows and day-to-day decision-making.

Leaders should therefore prioritise decision quality over technology implementation. The key question is not whether a new tool can generate additional insights. The question is whether those insights will change decisions and improve outcomes.

Technology investments should be assessed according to their ability to improve decision speed, increase confidence, reduce value leakage and strengthen alignment between commercial and operational functions. In many cases, greater value will come from connecting existing systems than from acquiring new ones.

Prepare for AI by Fixing the Foundations

AI featured prominently throughout the discussions, but participants consistently emphasised that AI readiness is fundamentally an organisational challenge rather than a technology challenge.

AI can improve forecasting, scenario planning, promotional analysis and decision support. However, it cannot compensate for fragmented data, unclear ownership or weak governance. In fact, AI often exposes these weaknesses more quickly.

Leaders should therefore view AI readiness as a broader transformation agenda. Before scaling advanced automation or decision intelligence, organisations should focus on strengthening data quality, clarifying decision rights, integrating workflows and improving governance. These foundations determine whether AI becomes a source of competitive advantage or simply another layer of complexity.

The most successful organisations often begin with a small number of high-value use cases where commercial and operational disconnects are most visible — major promotional events, high-volume customer agreements, seasonal demand peaks or categories experiencing frequent stock-outs. By targeting areas where value leakage is greatest, organisations can demonstrate measurable improvements relatively quickly while building momentum for broader change. Success creates credibility, and credibility creates support for wider transformation.

The path forward is clear. FMCG organisations that act decisively to connect commercial intent with operational execution will be best positioned to convert insight into impact, planning into performance, and growth ambition into measurable business outcomes. **For organisations ready to take that first step, a companion paper — *From Discussion to Action: A 90-Day Plan for Closing the Gap Between Commercial Strategy and Supply Chain Execution (Part 2)* — sets out a structured, three-phase programme with clear actions, deliverables and measurable outcomes designed to prove the model quickly and build the mandate for wider change.**

DXC and ISG welcome the opportunity to discuss how that plan can be tailored to your organisation’s categories, markets and maturity.

How DXC and ISG Can Help

Closing the gap between commercial strategy and supply chain execution requires more than good intentions — it requires the right capabilities, experience and partnerships to turn insight into action.

DXC and ISG bring complementary strengths that directly support this journey. ISG’s benchmarking and advisory experience across consumer goods organisations helps leaders assess RGM maturity, quantify value leakage, and design the governance, decision accountability, and shared metrics frameworks required for a connected operating model. DXC's data, analytics and systems integration capabilities help organisations build a genuinely trusted demand signal, connect fragmented planning and execution platforms, and embed AI-generated insights into operational workflows, where they can drive measurable business outcomes.

Together, DXC and ISG help organisations move from fragmented functions and unrealised plans to a connected enterprise growth engine — one that consistently converts commercial ambition into profitable and sustainable results.

To explore how this can be applied to your organisation's categories, markets and maturity, and to access the practical 90-day programme outlined in our companion paper, please contact your DXC or ISG representative.

Authors

Dr. Alex Kokkonen
Consulting Partner
Strategy, Advisory & Research,
DXC Technology

Rajesh Krishnan
Solution Lead, Data & AI,
DXC Technology

John Crosbie
UK/I Director and EMEA
Industy Partner,
DXC Technology

Glossary

AI (Artificial Intelligence)
Technologies used to improve forecasting, scenario planning, demand sensing, promotional analysis and decision support; however, they require strong data, governance and workflows to create value.

Assortment Optimisation
Commercial activity focused on selecting product ranges to maximise performance, with direct implications for supply, inventory and execution.

Commercial Execution
The real-world implementation of pricing, promotional and customer strategies, including product availability and fulfilment in market.

Commercial Intent
Planned growth actions such as pricing, promotions, and customer agreements developed during planning cycles.

Connected Operating Model
An organisational approach that aligns commercial planning, supply chain execution, governance, data and decision-making into a unified system.

Data Fragmentation
A condition where multiple systems and functions operate with inconsistent or conflicting datasets, reducing trust and slowing decision-making.

Decision Accountability
Governance approach where ownership is assigned to business decisions and outcomes rather than individual functional responsibilities.

Decision Architecture
The structure and processes through which organisations connect data, people, systems and workflows to enable effective cross-functional decisions.

Demand Signal
A unified, trusted representation of demand used across commercial, supply chain and finance functions to guide decisions.

Enterprise Capability (RGM)
A view of Revenue Growth Management as a cross-functional capability spanning commercial, supply chain and finance rather than a standalone discipline.

Execution Gap (Reality Gap)
The difference between planned commercial outcomes and actual results achieved in market due to operational constraints or misalignment.

FMCG (Fast-Moving Consumer Goods)
Industry sector characterised by rapid sales cycles, complex supply chains and high dependency on execution excellence.

Governance (Decision Governance)
Structures and processes that define how decisions are made, including ownership, accountability and cross-functional alignment.

Integrated Decision-Making
Coordinated approach where commercial, supply chain, finance and technology functions collaborate using shared data and aligned objectives.

Inventory Alignment
Ensuring product availability matches planned demand, particularly during promotions or demand spikes.

Metrics (Enterprise Metrics)
Performance measures that align across functions to optimise total business outcomes rather than individual departmental goals.

Omnichannel Demand
Demand patterns across multiple channels including eCommerce and traditional retail, increasing complexity in forecasting and execution.

Operational Execution
Activities related to production, logistics, inventory management and fulfilment required to deliver commercial plans.

RGM (Revenue Growth Management)
A strategic capability aimed at driving profitable growth through pricing, promotions, assortment and customer strategy.

Revenue Realisation
The actual generation of revenue when products are delivered successfully to customers and purchased in market.

Revenue Planning
The process of defining expected growth through pricing, promotions and customer agreements.

Supply Chain (as Commercial Capability)
The network responsible for production, inventory and logistics, increasingly recognised as a key determinant of commercial success.

TPM (Trade Promotion Management)
Systems and processes used to plan and manage promotional investments and activities.

Value Leakage
Loss of expected revenue or margin due to misalignment between planning and execution across functions.

Ways of Working
The organisational rhythms, processes and collaboration patterns between functions such as RGM, supply chain and finance.

Bibliography – Industry & External References

Accenture (2023)
Reinventing the Supply Chain for Growth and Resilience. Highlights the increasing role of supply chain as a driver of business value and competitive differentiation.

Bain & Company (2022)
Revenue Growth Management: The Next Frontier in FMCG Value Creation. Explores how RGM capabilities drive pricing, promotion and assortment decisions in consumer goods.

Deloitte (2023)
Supply Chain Transformation: Driving Growth Through Connected Operations. Focuses on integrating supply chain with commercial strategy to improve execution outcomes.

Gartner (2024)
Top Supply Chain Technology Trends. Examines the importance of connected decision-making, digital supply networks and AI adoption.

ISG (Information Services Group) (2023)
Digital Transformation in Consumer Goods: Closing the Execution Gap. Aligned to the roundtable perspective on bridging planning and execution disconnects.

Kotler, P. & Keller, K. (2016)
Marketing Management (15th Edition). Foundational marketing text including pricing, promotions and demand strategy theory.

McKinsey & Company (2022)
The Next Frontier of Growth in Consumer Goods. Highlights execution challenges and the need for integrated commercial and operational models.

McKinsey & Company (2023)
Supply Chain 4.0: The Next Generation Digital Supply Chain. Details how advanced analytics and AI enhance supply chain responsiveness and performance.

Microsoft (2024)
AI for Business Decision Intelligence. Focuses on embedding AI into workflows and decision systems rather than standalone analytics.

PwC (2023)
Connected Enterprise: Breaking Down Silos Across Functions. Explores governance, data and cross-functional alignment as key to value realisation.

World Economic Forum (2023)
Shaping the Future of Advanced Manufacturing and Supply Chains. Highlights global supply chain complexity and the need for integrated, adaptive systems.

DXC Technology (NYSE: DXC) is a leading enterprise technology and innovation partner delivering software, services, and solutions to global enterprises and public sector organizations — helping them harness AI to drive outcomes at a time of exponential change with speed. With deep expertise in Managed Infrastructure Services, Application Modernization, and Industry-Specific Software Solutions, DXC modernizes, secures, and operates some of the world's most complex technology estates. Learn more on **dxc.com**.

LinkedIn | Instagram | TikTok | YouTube

DXC Public

© 2026 DXC Technology Company. All rights reserved. DG_1625a-27