2026 Retail and Consumer Goods Analytics Study

Progress Under Pressure

***CGT's* annual report** benchmarks the two industries' analytics maturity and identifies key investment trends

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The state of analytics in 2026 shows continued progress across both consumer goods manufacturers and retailers, even as organizations work through structural and budget-related challenges in an increasingly AI-driven environment.

This year's Retail and Consumer Goods Analytics Study finds manufacturers feeling more confident in their analytics performance compared to last year, while retailers are showing progress in their adoption of AI/ML tools. Both groups recognize the value of shared data sources and centralized departments, but most are still in the process of making that a reality at their organizations (although they are making notable progress toward a shared data model compared to last year).

Artificial intelligence remains at the center of exploration, planned usage and investment. However, concerns about cost and output quality continue to slow full-scale adoption, particularly when it comes to generative AI.

On the Wish List: Centralized Data Department

Companies' internal analytics headcount remains relatively consistent with last year, with more than half of respondents reporting that they have 10 or more employees dedicated to analytics.

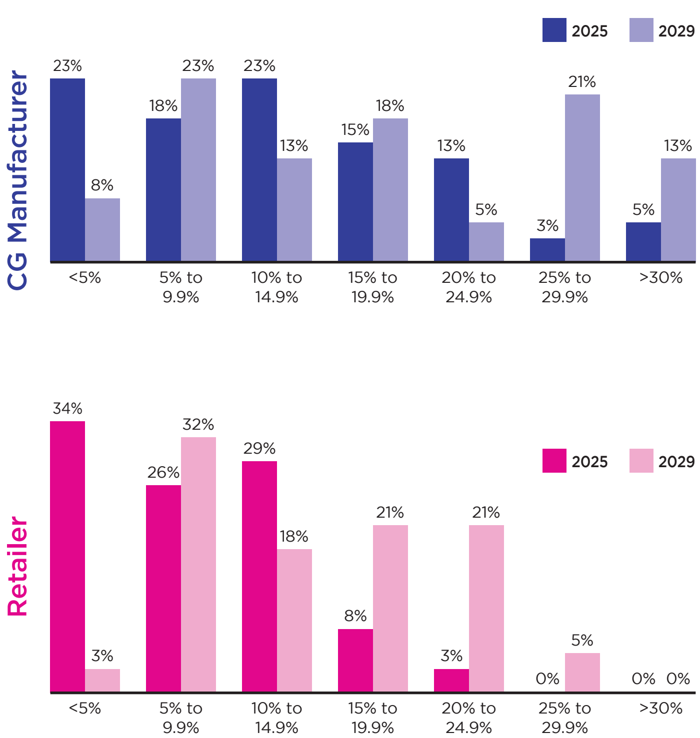
Survey respondents acknowledge that it would be advantageous to have a shared or centralized department for executing analytics, but the current reality is that for around 40% of CGs, this area of the business is managed by separate departments. Retailers are a bit more fragmented in how they execute analytics, with about a quarter of respondents each reporting that their business today is either being managed by a shared analytics department, in separate departments, or through their IT department — but 37% agree that a shared department of excellence would be ideal.

As for their companies' investment in analytics, both CGs and retailers are enjoying a gradually larger representation of the IT budget vs. previous years, but manufacturers are slightly more optimistic about how much this budget will continue to grow in the next three years. One-third of CGs expect to spend 25% or more of their IT budget on analytics in 2029, while about 40% of retailers expect to spend somewhere between 15% and 25%.

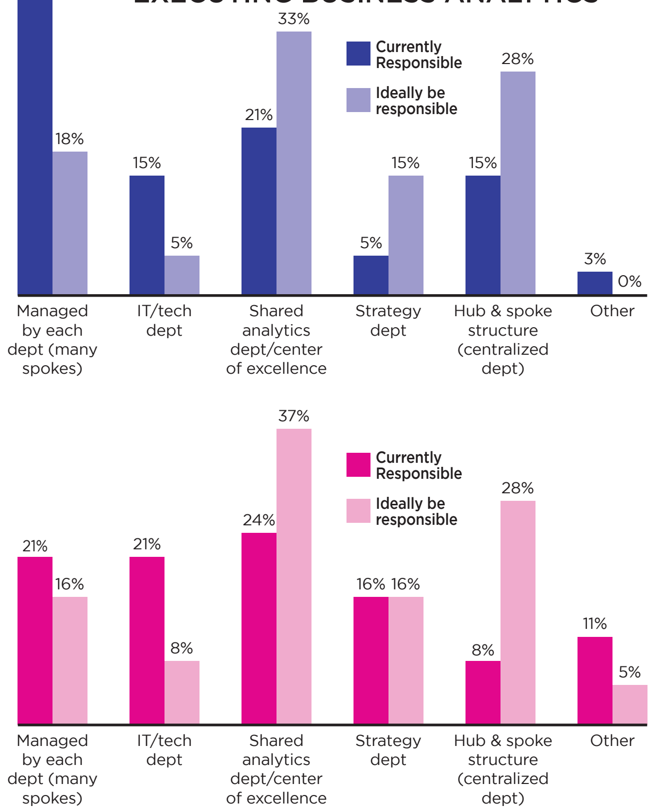
Today, many organizations are still operating with relatively small analytics budgets. More than one-third of retailers say 5% or less of their IT budget is currently dedicated to analytics, while CGs are more evenly split across spending levels.

Both industries seem to be making progress toward achieving a shared data model: 64% of CGs report they are moving in this direction (vs. 55% last year), and 63% of retailers are on the right track (vs. only 43% last year).

% OF IT BUDGET SPENT/EXPECTED TO SPEND ON ANALYTICS



CURRENT AND IDEAL STAKEHOLDERS FOR EXECUTING BUSINESS ANALYTICS



INTERNAL DATA ALIGNMENT

CG Manufacturer
Retailer

CG Manufacturer | Retailer	
23% | 24%	Entire org shares same data source
64% | 63%	Making progress toward a shared data model
13% | 13%	Still working in silos

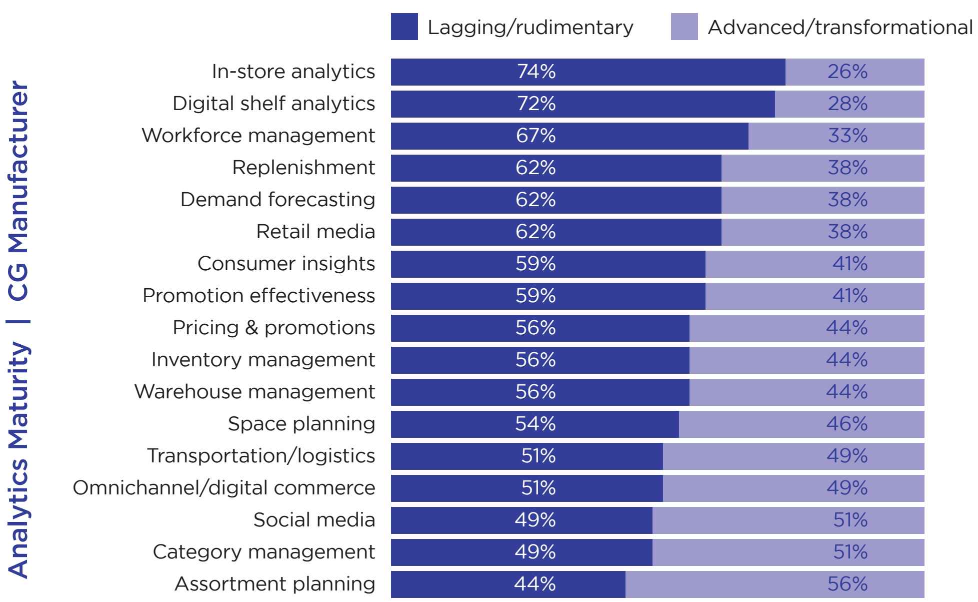
Differences in Analytics Maturity

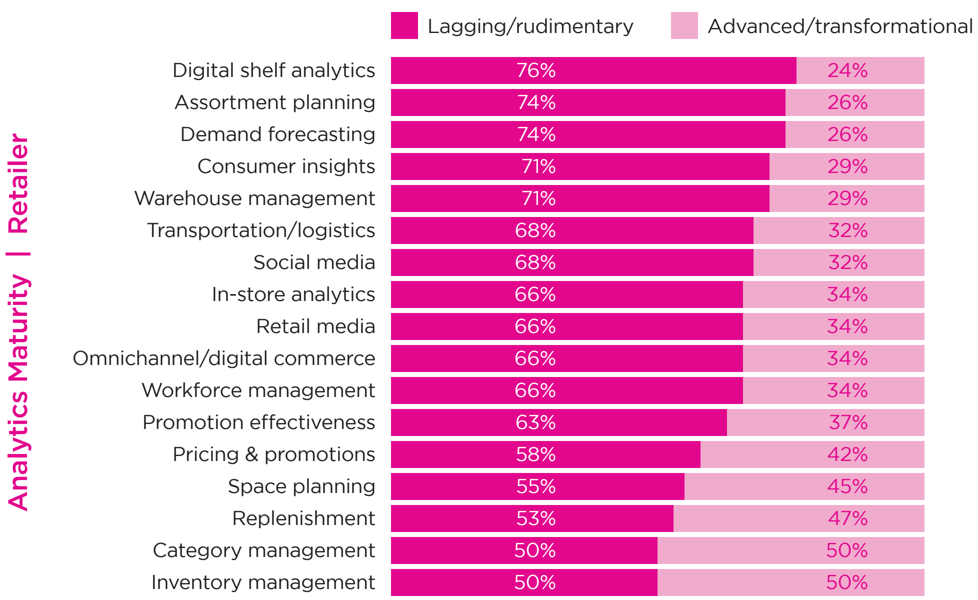
Both CGs and retailers continue to advance in analytics maturity, although progress varies by function.

Among CGs, assortment planning remains one of the most advanced areas, but category management, social media analytics and digital commerce have gained ground over the past year. For retailers, the biggest gains are occurring in inventory management and category management, replacing transportation and replenishment as the most mature areas in last year's study.

Digital shelf analytics, a new category in this year's survey, is considered to be lagging/rudimentary for 72% of CGs and 76% of retailers; however, it shows plenty of potential for future growth.

On their journey to further maturity, CG leaders feel more confident in their analytics performance this year.

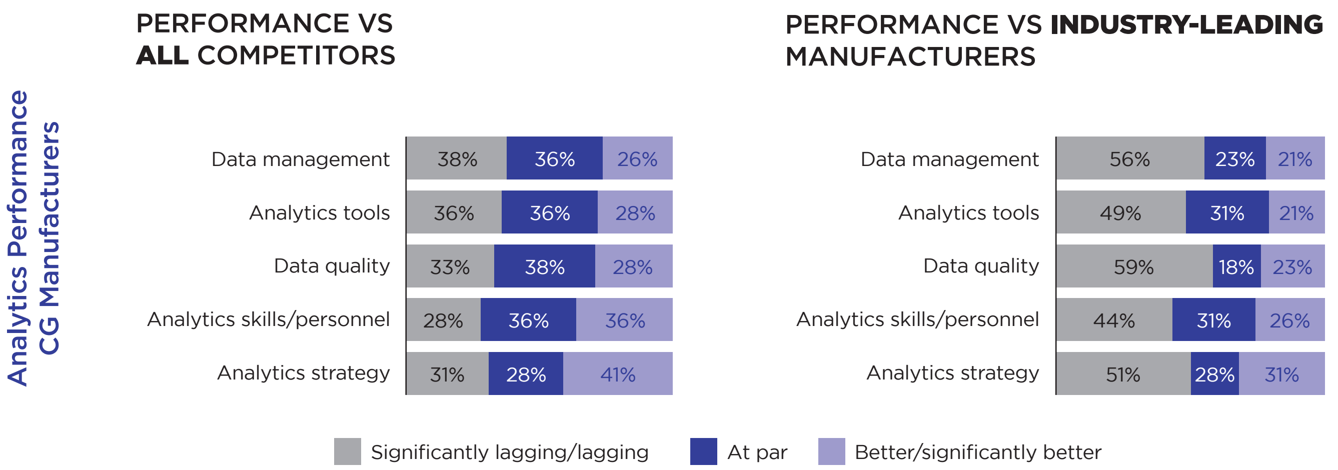


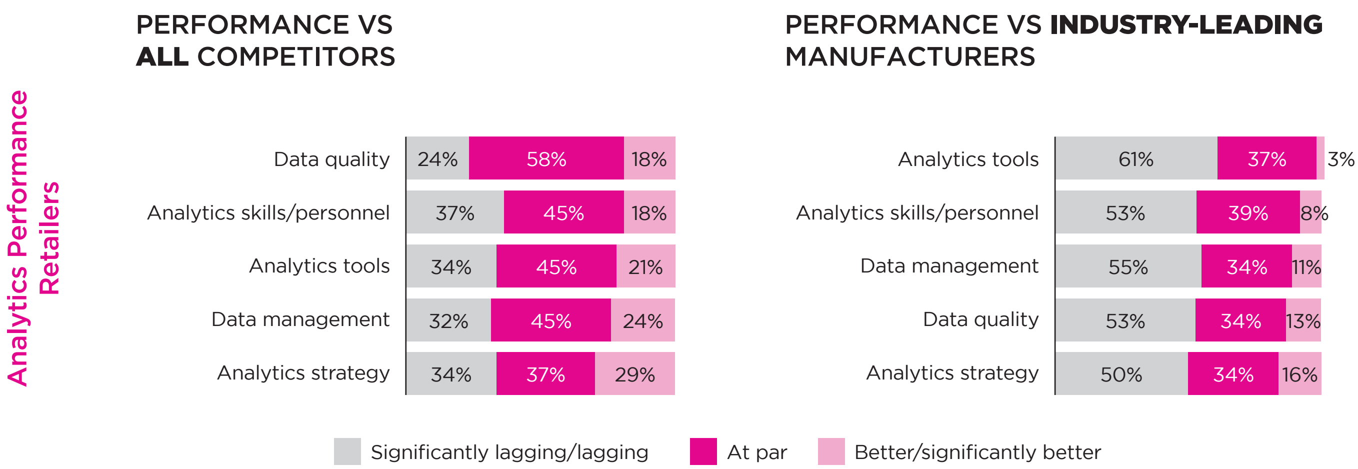


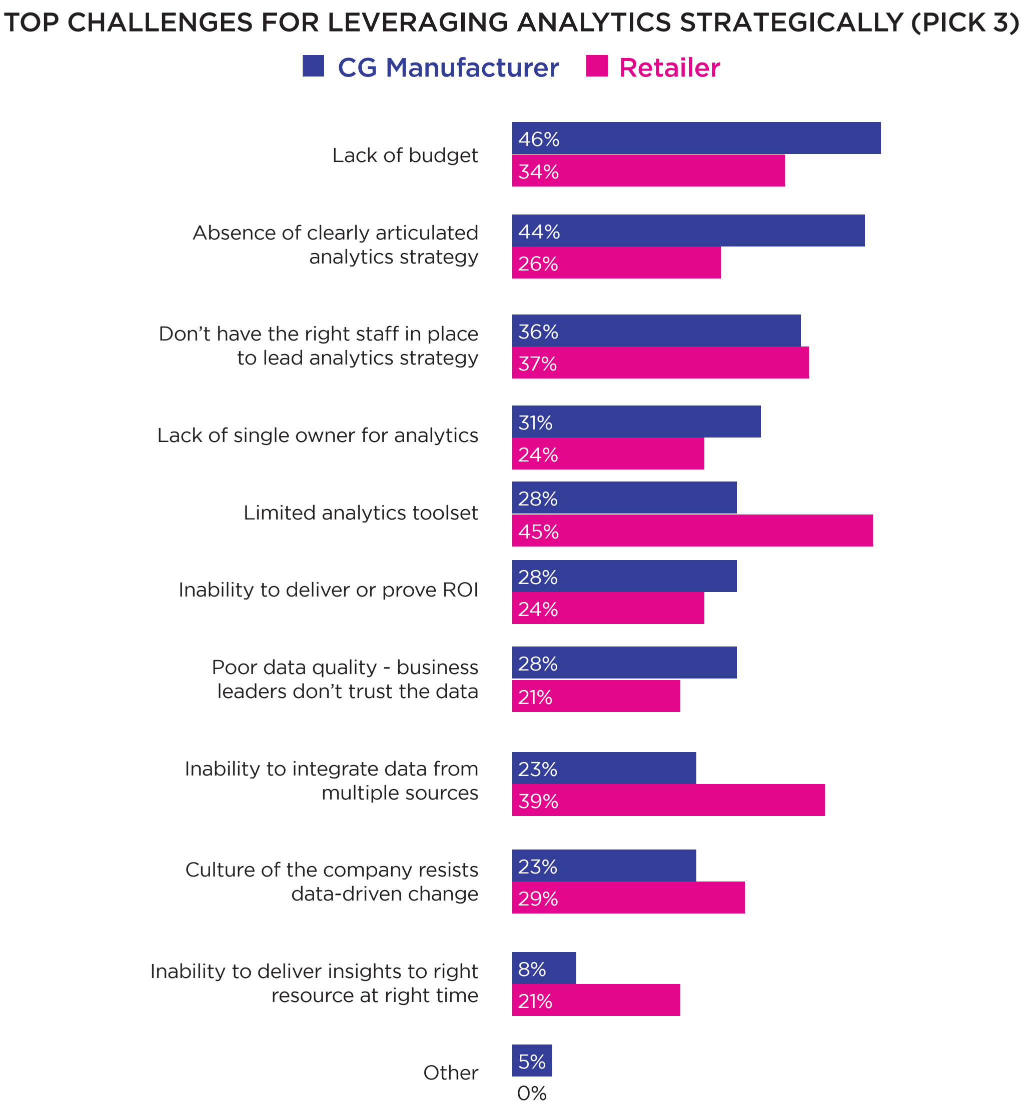
Just over 40% feel that their analytics strategy is significantly better than their competitors, compared to 35% last year, and 31% feel that same confidence when comparing themselves to industry-leading manufacturers (vs. 16% last year). While they aren't quite as confident when it comes to the quality of their analytics skills/personnel, data and tools, they feel that they're in a stronger position in those areas than they were last year.

Interestingly, retailers are less confident on average than manufacturers in regard to their analytics strategy, and they also have lower performance scores vs. last year. This could point to the increasing competitive threat that smaller retailers feel from the Amazons and Walmarts of the world, whose resources can seem endless at times.

Looking more closely at the specific challenges that manufacturers and retailers are facing, some clear patterns emerge. CGs are most concerned about a lack of budget and the absence of a clearly articulated analytics strategy — more than 40% cite these as their top challenges. Retailers, meanwhile, feel held back by a limited analytics toolset (similar to last year) and an inability to integrate data from multiple sources. On a positive note, CGs seem to have made progress in data integration over the past year.







CGs are most concerned about a lack of budget and the absence of a clearly articulated analytics strategy, while retailers feel held back by a limited analytics toolset and an inability to integrate data from multiple sources.

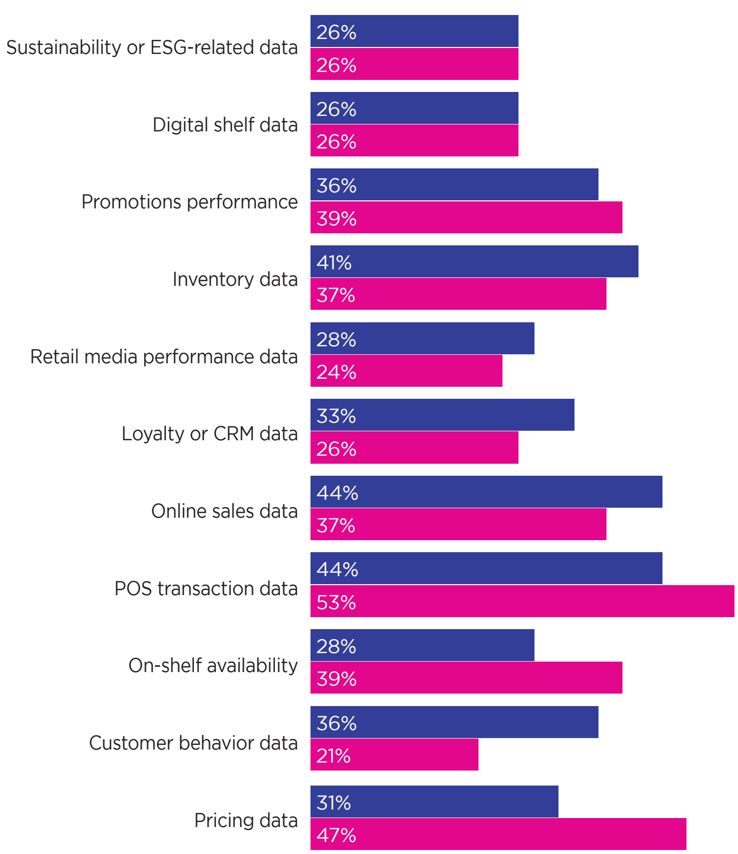
Data Satisfaction

A new question in this year's survey asked CGs to rate their satisfaction with their trading partners' data, in terms of both quantity and actionability. Their responses reveal that manufacturers are most satisfied with the sales data (both POS and online) they receive from retailers, while areas like retail media performance, digital shelf and sustainability rank much lower.

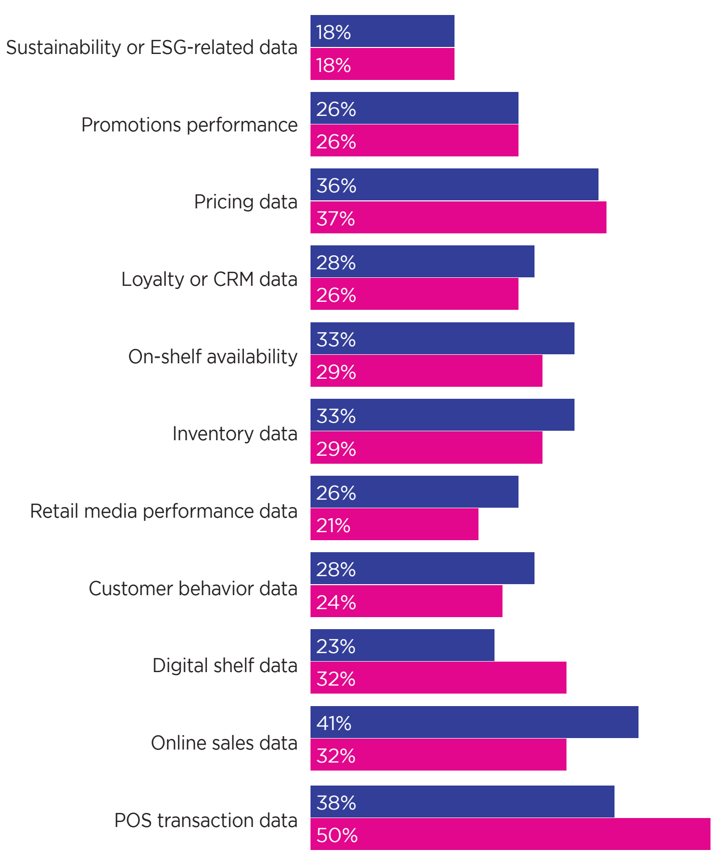
When it comes to retailers' perceptions of how their data is received, however, even though they guessed that suppliers are most satisfied with POS data, they also thought their pricing data was at par. It turns out that CPGs do not feel as favorable about the amount of pricing data they're getting. This and other responses suggest that retailers should consider focusing on delivering more data to manufacturers, particularly with regard to pricing data, on-shelf availability and POS sales data.

While their data sharing could be improved, retailers are showing progress in their pursuit of analytics resources. This year's survey finds 37% of retailers adopting AI/ML tools, compared to just 25% in 2025. They're doing about the same as last year in terms of outsourcing work to vendors and hiring internal analytics personnel. Manufacturers, for their part, remain relatively consistent in their resource strategies.

SATISFACTION/PERCEIVED SATISFACTION WITH DATA QUANTITY



SATISFACTION/PERCEIVED SATISFACTION WITH DATA ACTIONABILITY



CG Manufacturer   Retailer

AI Still in Exploratory Stage

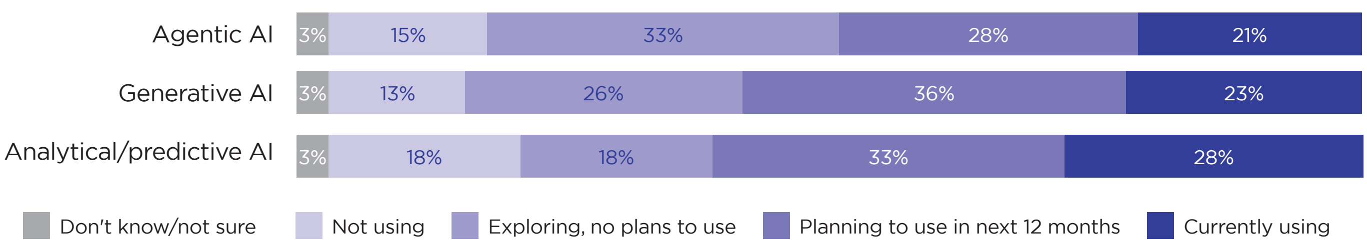
When it comes to overall usage of AI, most companies on both sides of the business remain in the planning or exploratory stages. Roughly one-third of CGs and retailers are currently using analytical/predictive AI, with about one in four using generative AI.

Interest in agentic AI is growing, although responses suggest that many organizations are still unclear about what qualifies as agentic technology.

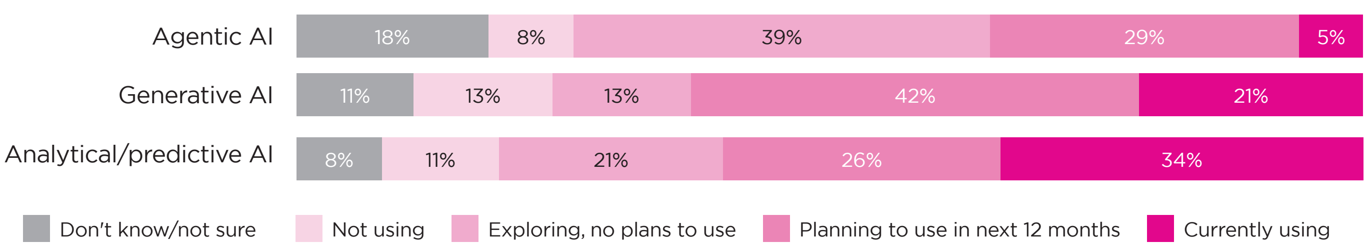
Some respondents listed tools such as ChatGPT, Gemini and Copilot as agentic solutions, even though these platforms are primarily generative AI tools.

Business areas where they expect agentic AI to help the most include inventory planning, pricing and allocation (for CGs), and consumer relationship management, consumer-facing service and social media (for retailers).

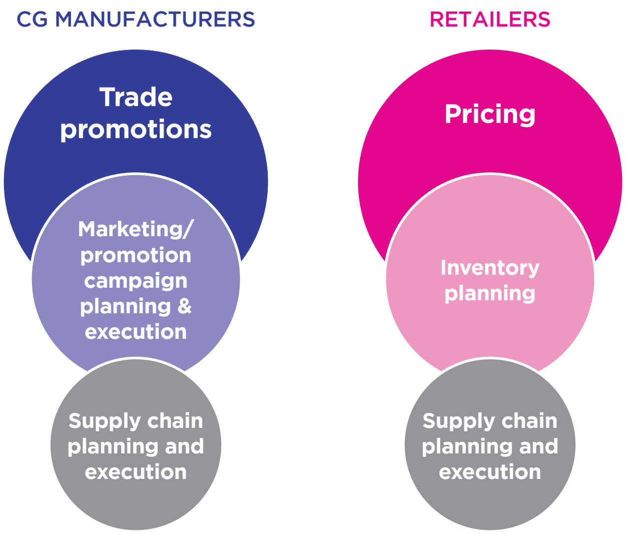
USE OF AI BY TYPE - CG MANUFACTURERS



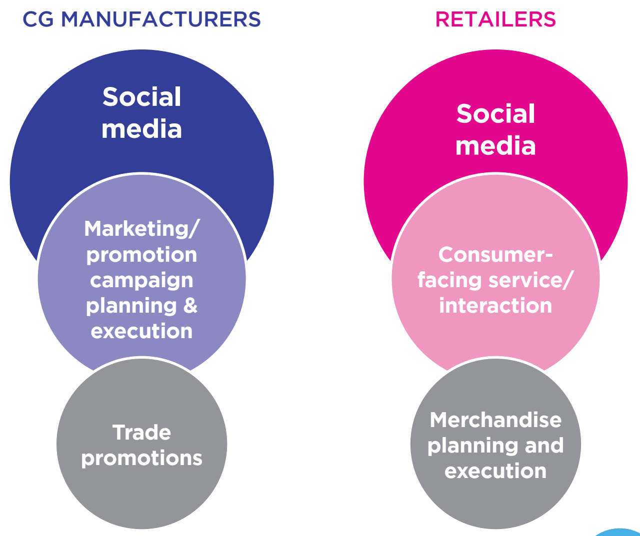
USE OF AI BY TYPE - RETAILERS



TOP USES FOR AI ADOPTION



TOP USES FOR GENERATIVE AI

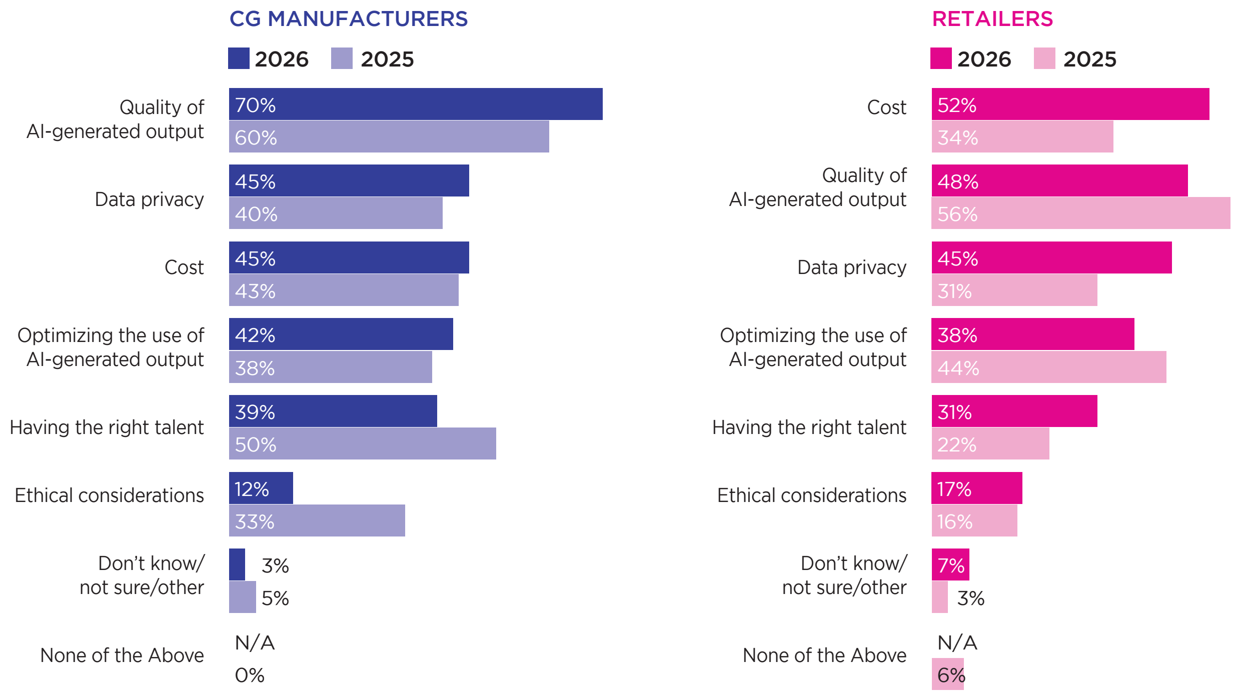


Companies' key challenges around fully implementing generative AI are quality of output and cost, which is similar to last year, although cost has become more pronounced in the current economic climate. As one CG exec noted: "We are behind and *very* budget-conscious, so this initiative has really been put on the back burner." More than half of retailers cite cost as a challenge.

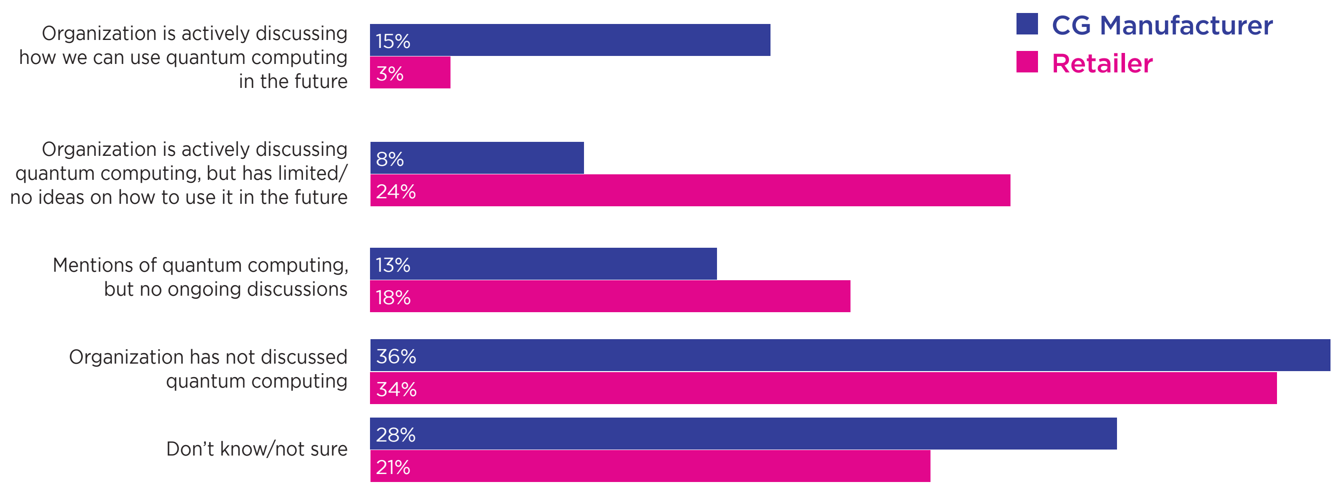
At the same time, CGs have made progress in having the right talent to use this technology, so perhaps more companies are recognizing the importance of investing in the right talent, even when budgets are tighter.

Interest in emerging technologies extends beyond AI. About one-quarter of respondents say their companies are actively discussing quantum computing (a new question for this year's survey), although only a small minority have concrete plans to use it. Another third say the topic has not been discussed at all, highlighting how early most organizations still are in evaluating the next wave of analytics technology.

TOP CHALLENGES CURRENTLY EXPERIENCING OR EXPECTED WHEN USING GENERATIVE AI



QUANTUM COMPUTING

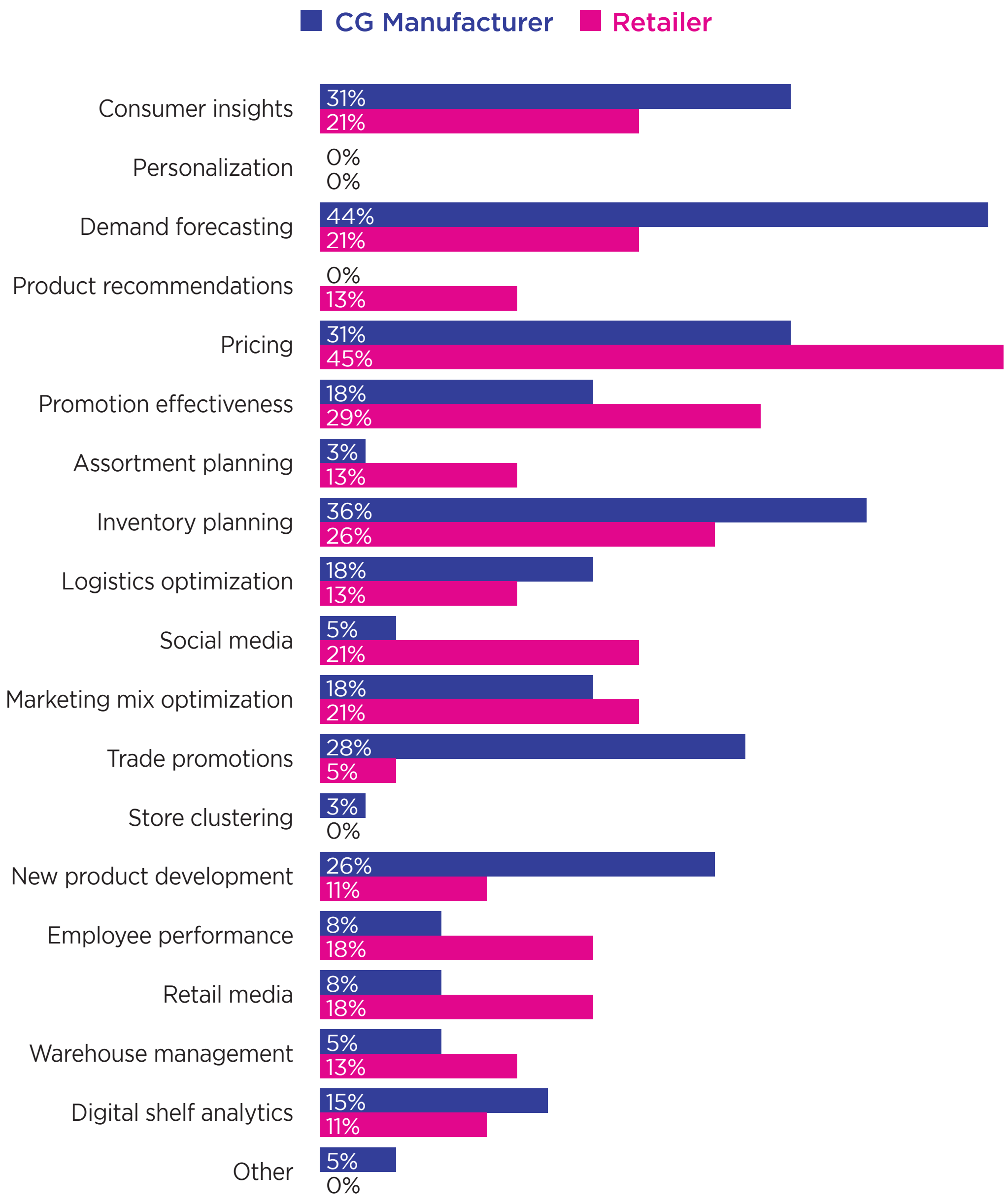


Planning Amid an Uncertain Future

As analytics leaders engage in planning for the future, some of their more immediate business concerns seem to be taking precedence. For CGs, demand forecasting and inventory planning are considered top analysis areas for the upcoming year, likely due in part to the persistent supply chain challenges they've been facing. Retailers, on the other hand, are laser focused on pricing (again, quite understandably given ongoing price sensitivity from consumers).

In terms of planned software changes for 2026, the majority of CGs (51%) are looking to upgrade master data management — a sizable increase from last year — with a smaller but significant percentage focused on upgrading AI/ML development platforms, generative AI platforms, data quality and observability tools, and data governance, privacy or security platforms. Nearly one in five are planning to add AI/ML development platforms for the first time.

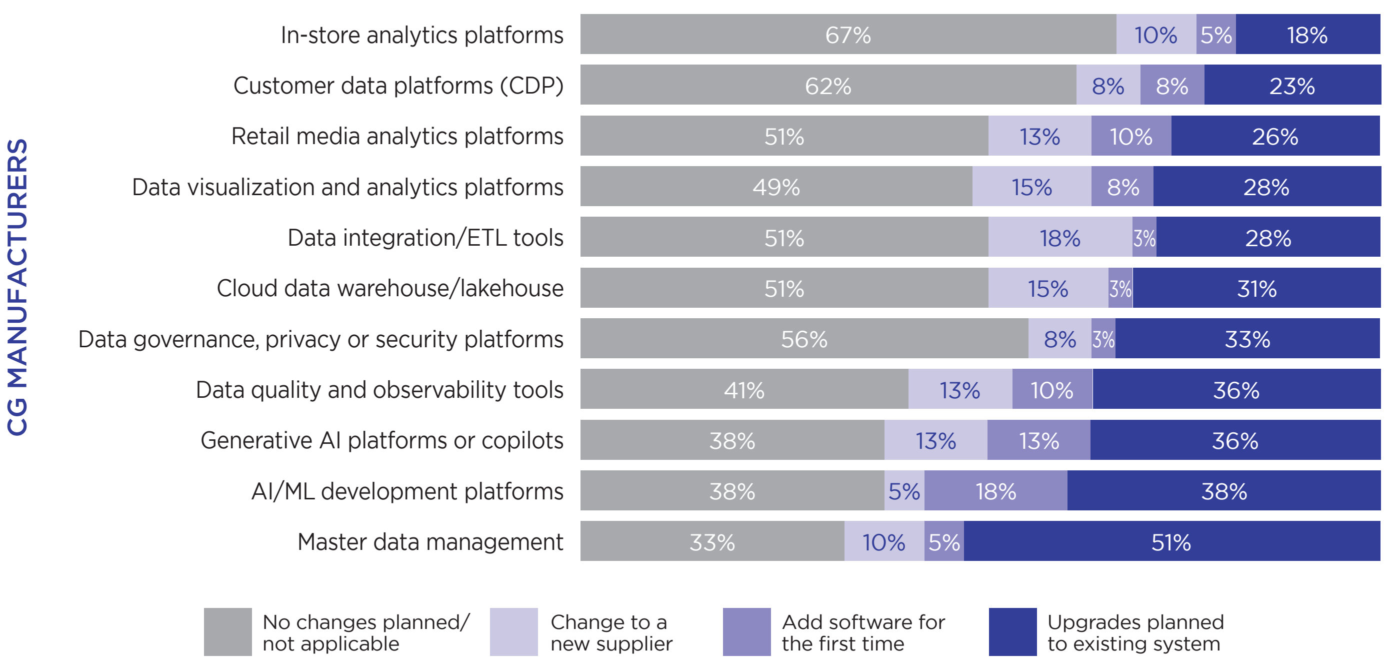
TOP ANALYSIS AREAS OF FOCUS IN UPCOMING YEAR (PERCENTAGE RANKED IN TOP 3)

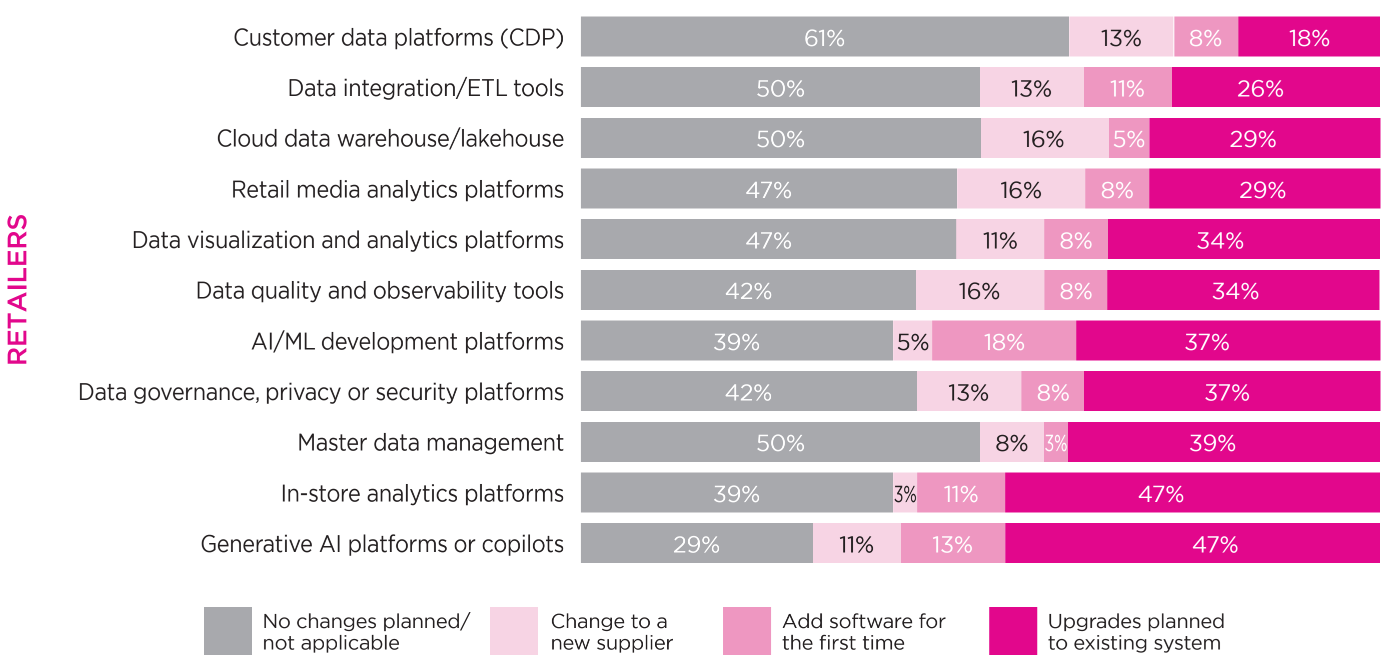


Almost half of retailers are looking to upgrade generative AI platforms or copilots, as well as in-store analytics platforms. Similar to CGs, 18% are planning to add AI/ML development platforms.

Areas where at least half of CGs have no changes planned include data governance, privacy or security platforms; cloud data warehouse; data integration/ETL tools; and retail media analytics platforms. For retailers, 61% have no changes planned for customer data platforms, while 50% aren't planning upgrades for master data management, cloud data warehouse or data integration/ETL tools.

PLANNED SOFTWARE CHANGES



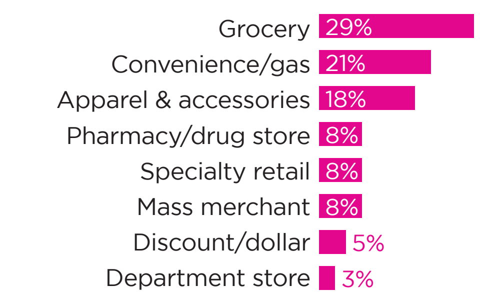


METHODOLOGY AND DEMOGRAPHICS

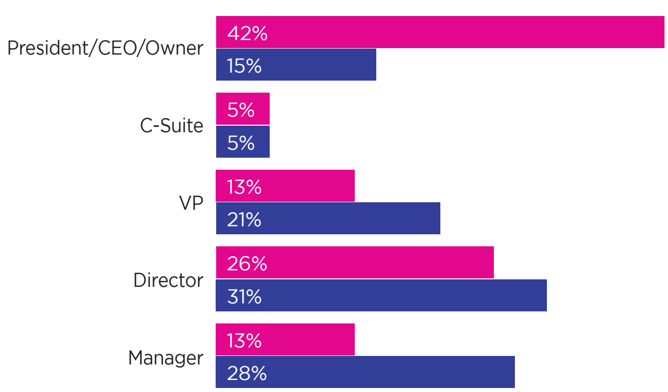
Consumer Goods Technology commissioned the annual Analytics Study to benchmark the state of analytics across the consumer goods and retail industries, highlighting current and future investment plans. The survey was conducted in partnership with parent company EnsembleIQ's research department, with the resulting findings prepared by the research team. It was fielded from Jan. 14 to Feb. 6, 2026, and qualified respondents had to be consumer goods manufacturers or retailers.

GOODS MANUFACTURED

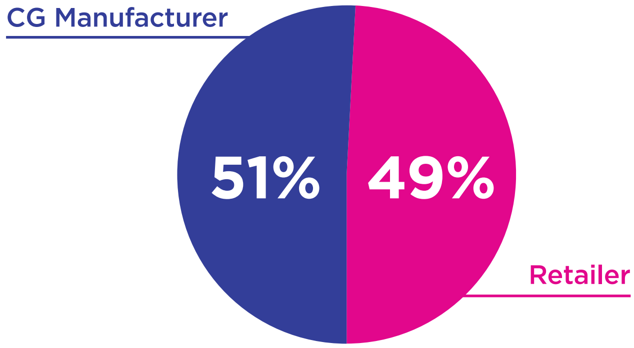
RETAIL CHANNEL



JOB LEVEL



RESPONDENTS



CORE BUSINESS FUNCTION

	CGs	RETAILER
Customer management/sales	21%	18%
Insights/analytics	21%	5%
Supply chain	18%	3%
IT/technology	10%	8%
Marketing	8%	5%
Merchandise management	5%	5%
Store operations	5%	39%
Omnichannel/digital commerce	5%	3%
Trade marketing/category management	3%	0%
Other	5%	13%

ANNUAL REVENUE

	CGs	RETAILER
<$100M	33%	47%
$100M to $499M	15%	21%
$500M to $999M	15%	8%
$1B to $4.999B	21%	11%
$5B+	15%	11%
Don't know/not sure	0%	3%

KEY FINDINGS

1. Manufacturers report higher confidence in their analytics performance than last year, while retailers show slower progress and lower confidence, reflecting growing competitive pressure from larger, more data-advanced operators.

2. AI remains the top area of investment and exploration, yet most companies are still in early stages of adoption, with cost and output quality cited as the biggest barriers to scaling generative AI.

3. Retailers are accelerating their use of AI and machine learning tools, while manufacturers are taking a more measured approach, focusing on strengthening data alignment and internal infrastructure.

4. Data sharing between retailers and manufacturers remains uneven, with suppliers reporting gaps in pricing, on-shelf and performance data despite retailers believing they are providing sufficient information.

5. Near-term business pressures are shaping analytics priorities, with manufacturers focused on demand forecasting and inventory planning, and retailers prioritizing pricing analytics in response to margin pressure and consumer sensitivity.
