

# FMCG's Digital Dilemma: The Consequences of Insufficient IT Expertise in the Fast-Moving Consumer Goods Industry

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Abstract - The Fast-Moving Consumer Goods (FMCG) industry is undergoing a rapid digital transformation, with Information Technology (IT) playing a crucial role in shaping the competitiveness and growth of companies operating in this sector. However, the lack of qualified IT personnel presents a significant challenge, potentially hindering the successful adoption and integration of digital solutions. This study aims to explore the consequences of insufficient IT expertise in the FMCG industry, focusing on the impact on business operations, supply chain management, marketing, data-driven decision making, and cybersecurity. To achieve the research objectives, a mixed-methods approach has been employed, combining quantitative data from industry reports, surveys, and company performance metrics with qualitative insights from in-depth interviews, case studies, and expert opinions. The primary data sources include FMCG companies, IT professionals, industry experts, and relevant stakeholders. Data analysis techniques encompass descriptive and inferential statistics, thematic analysis, and comparative case study analysis. The main findings reveal a substantial IT expertise gap in the FMCG industry, which contributes to a range of negative consequences for companies lacking the necessary IT personnel. Operational efficiency is compromised, with companies experiencing increased costs and reduced productivity due to suboptimal implementation of digital solutions. Supply chain management is also affected, as companies struggle to leverage real-time data and analytics to optimize inventory, logistics, and demand forecasting. In terms of marketing and consumer engagement, the absence of qualified IT professionals hampers the effective use of digital marketing channels, personalized content, and social media strategies. Moreover, the study highlights the importance of data-driven decision making in the FMCG sector and the challenges faced by businesses without adequate IT expertise in harnessing the potential of big data and advanced analytics. Lastly, the findings emphasize the growing significance of cybersecurity and data protection, with companies lacking IT personnel being more vulnerable to cyber threats, data breaches, and regulatory non-compliance. The implications of the research extend to FMCG companies, IT professionals, and policymakers. The study provides actionable recommendations for addressing the IT expertise gap, which include investing in training and development, forging partnerships with IT service providers, and adopting government-led initiatives to bolster IT talent in the FMCG sector. The findings underscore the urgency for FMCG companies to prioritize IT capabilities, as the consequences of insufficient IT expertise could undermine their competitiveness and long-term success in the increasingly digital business environment.

**Keywords:** Digital transformation, Customer experience, Operational efficiency, Data-driven decision making, Organizational culture, Innovation, New business models, IT expertise, Supply chain management, Cybersecurity.



# **1. INTRODUCTION**

# 1.1. Background on the Fast-Moving Consumer Goods (FMCG) industry

The Fast-Moving Consumer Goods (FMCG) industry, also known as the Consumer Packaged Goods (CPG) industry, is one of the largest and most dynamic sectors in the global economy. It comprises companies that manufacture and distribute a wide array of products, including food and beverages, personal care items, household cleaning products, and other everyday consumables. These products typically have a relatively short shelf life, low price points, and high sales volumes, necessitating efficient supply chain management and effective marketing strategies to ensure profitability and customer satisfaction.

The FMCG industry has continued to evolve over the years, driven by a combination of factors such as changing consumer preferences, emerging market dynamics, and technological advancements. In recent decades, globalization has played a significant role in shaping the sector, as companies have expanded their operations across borders, tapping into new markets and leveraging cost benefits through economies of scale. This has led to increased competition among FMCG manufacturers, prompting them to innovate and differentiate their product offerings to maintain market share and consumer loyalty.

As the global population grows and urbanization accelerates, the demand for FMCG products is expected to rise, presenting both opportunities and challenges for companies operating in the industry. On the one hand, emerging markets, particularly in Asia and Africa, offer significant growth prospects, with a burgeoning middle class and increasing disposable incomes contributing to higher consumption levels. On the other hand, concerns about sustainability and environmental impact have prompted consumers to demand more eco-friendly products and packaging, necessitating a shift in production practices and materials.

In the face of these trends, technology has emerged as a critical driver of change and success in the FMCG sector. The widespread adoption of digital technologies, such as e-commerce, mobile applications, and social media, has revolutionized the way companies reach and engage with consumers, enabling more targeted marketing campaigns and personalized customer experiences. Furthermore, advances in data analytics, artificial intelligence (AI), and the Internet of Things (IoT) have created new opportunities for FMCG companies to optimize their supply chains, streamline their operations, and make more informed decisions based on real-time data.

However, the rapid digital transformation of the FMCG industry also presents challenges, particularly in terms of acquiring and retaining the IT expertise needed to implement and manage these technologies effectively. As companies strive to adapt to the ever-changing digital landscape, the demand for skilled IT professionals has outpaced supply, leading to a talent gap that could threaten the competitiveness and long-term success of FMCG businesses. In this context, understanding the consequences of insufficient IT expertise in the FMCG industry and identifying strategies to address this challenge has become a critical research area and a top priority for industry stakeholders.

# **1.2. Importance of IT expertise in the modern FMCG landscape**

The importance of IT expertise in the modern FMCG landscape cannot be overstated, as technology has become a key enabler of growth, innovation, and competitive advantage in the sector. The integration of IT solutions and digital technologies has reshaped various aspects of FMCG operations, with significant implications for companies' bottom lines and their ability to meet consumer demands. The following points highlight the crucial role that IT expertise plays in the contemporary FMCG industry:

- Operational efficiency: The adoption of advanced IT systems, such as Enterprise Resource Planning (ERP) and Warehouse Management Systems (WMS), enables FMCG companies to streamline their operations, automate routine tasks, and improve overall efficiency. Qualified IT personnel are essential for implementing and maintaining these systems, ensuring seamless integration with existing processes and maximum return on investment.
- 2. Supply chain management: The FMCG sector relies heavily on complex, global supply chains to deliver products to consumers. IT expertise is critical for optimizing supply chain operations through real-time tracking, inventory management, demand forecasting, and logistics planning. Furthermore, emerging technologies like blockchain and IoT offer new opportunities for enhancing supply chain transparency, traceability, and resilience, but require skilled IT professionals to realize their full potential.
- 3. Marketing and consumer engagement: The digital era has transformed the way FMCG companies interact with their customers, with social media, mobile applications, and e-commerce platforms becoming essential tools for marketing and sales. IT expertise is vital for developing and managing digital marketing campaigns, analyzing consumer data, and creating personalized content that resonates with target audiences.
- 4. Data-driven decision making: The ability to collect, analyze, and interpret vast amounts of data has become a competitive advantage for FMCG companies, enabling them to make more informed decisions and respond quickly to market trends. IT experts with skills in data analytics, machine learning, and AI can help businesses harness the power of big data to optimize pricing strategies, product development, and promotional activities.
- Cybersecurity and data protection: As FMCG companies increasingly rely on digital technologies and store sensitive information, the risk of cyber threats and data breaches has grown significantly. IT professionals with expertise in cybersecurity and data protection are crucial for safeguarding company assets, ensuring regulatory compliance, and maintaining consumer trust in the digital age.

In conclusion, IT expertise is indispensable in the modern FMCG landscape, as it enables companies to navigate the digital transformation and remain competitive in an increasingly technology-driven market. Addressing the IT talent gap and investing in skilled professionals should be a top priority for FMCG businesses to capitalize on the opportunities presented by digital technologies and mitigate the risks associated with insufficient IT expertise.

# 1.3. Problem statement and research objectives

# **Problem Statement**

The Fast-Moving Consumer Goods (FMCG) industry has been experiencing rapid digital transformation, with technology playing an essential role in shaping the competitiveness and growth of businesses in this sector. However, a significant challenge faced by FMCG companies is the shortage of qualified IT personnel, which may hinder the successful adoption and integration of digital solutions. The absence of adequate IT expertise can negatively impact various aspects of FMCG operations, including business performance, supply chain management, marketing, data-driven decision making, and cybersecurity. Therefore, it is crucial to understand the consequences of insufficient IT expertise in the FMCG industry and identify strategies to address this issue.



### **Research Objectives**

The primary objectives of this research are to:

- 1. Investigate the extent of the IT expertise gap in the FMCG industry and its implications for businesses operating in this sector.
- 2. Analyze the impact of insufficient IT expertise on various aspects of FMCG operations, such as operational efficiency, supply chain management, marketing, and consumer engagement.
- 3. Examine the challenges faced by FMCG companies in leveraging data-driven decision making and the role of IT expertise in harnessing the potential of big data and advanced analytics.
- 4. Assess the importance of cybersecurity and data protection in the FMCG industry, and explore the risks associated with inadequate IT expertise in these areas.
- 5. Identify and evaluate potential strategies for addressing the IT expertise gap in the FMCG sector, including investments in training and development, partnerships with IT service providers, and government-led initiatives.
- 6. Provide actionable recommendations for FMCG companies, IT professionals, and policymakers to tackle the IT expertise shortage and enhance the industry's competitiveness in the digital age.

### **2. LITERATURE REVIEW**

### 2.1. Role of IT in the FMCG industry: current state and trends

The role of IT in the FMCG industry has grown significantly in recent years, driven by rapid digital transformation and the need for companies to adapt to changing market dynamics. The integration of advanced IT solutions and digital technologies has reshaped various aspects of FMCG operations, enabling businesses to improve their performance, streamline processes, and enhance customer experiences. The following points highlight the current state and trends related to the role of IT in the FMCG industry:

- **Digital marketing and e-commerce:** The rise of digital channels, such as social media, mobile apps, and e-commerce platforms, has transformed the way FMCG companies reach and engage with their customers. IT plays a crucial role in creating and managing digital marketing campaigns, analyzing consumer data, and optimizing e-commerce operations to increase sales and customer satisfaction.
- **Supply chain optimization:** IT solutions, such as Enterprise Resource Planning (ERP), Warehouse Management Systems (WMS), and Transportation Management Systems (TMS), have become integral to FMCG supply chain management. These technologies enable companies to track inventory in real-time, optimize logistics, and improve demand forecasting, resulting in reduced costs and increased operational efficiency.
- **Data analytics and artificial intelligence:** The ability to collect, analyze, and interpret vast amounts of data has become a competitive advantage in the FMCG sector. IT professionals skilled in data analytics, machine learning, and AI help businesses harness the power of big data to optimize pricing strategies, product development, and promotional activities.
- Internet of Things (IoT) and connected devices: The adoption of IoT technologies and connected devices has opened up new opportunities for FMCG companies to enhance their product offerings



and create value-added services. IT expertise is essential to develop and manage IoT infrastructure, ensuring seamless integration with existing systems and processes.

- Automation and process improvement: The integration of Robotic Process Automation (RPA) and other advanced IT solutions can improve operational efficiency by automating manual tasks, streamlining workflows, and reducing human error. IT professionals play a crucial role in implementing and maintaining these technologies, ensuring maximum return on investment.
- **Cybersecurity and data protection:** As FMCG companies increasingly rely on digital technologies and store sensitive information, the risk of cyber threats and data breaches has grown significantly. IT experts with skills in cybersecurity and data protection are essential for safeguarding company assets, ensuring regulatory compliance, and maintaining consumer trust.

Overall, the role of IT in the FMCG industry has evolved significantly in recent years, with digital technologies becoming increasingly critical to the success and competitiveness of businesses in this sector. As the industry continues to undergo rapid digital transformation, the demand for skilled IT professionals is expected to grow, highlighting the importance of addressing the IT expertise gap to ensure the long-term success of FMCG companies.

# 2.2. Challenges faced by FMCG companies due to insufficient IT expertise

Insufficient IT expertise in the FMCG industry can result in various challenges that hinder the successful adoption and integration of digital solutions, as well as impact business performance and growth. The following are some of the key challenges faced by FMCG companies due to inadequate IT expertise:

- 1. Inefficient operations: A lack of IT expertise can lead to suboptimal implementation and maintenance of IT systems, such as ERP, WMS, and CRM solutions. This can result in operational inefficiencies, increased costs, and reduced productivity, ultimately impacting the company's bottom line.
- 2. Poor supply chain management: Inadequate IT expertise can hinder the effective utilization of IT solutions for supply chain optimization, such as real-time tracking, inventory management, and demand forecasting. This can lead to issues like stockouts, excess inventory, and delayed shipments, negatively affecting customer satisfaction and business performance.
- 3. Limited data-driven decision making: Without skilled IT professionals, FMCG companies may struggle to harness the full potential of big data and advanced analytics. This can limit their ability to make informed decisions, identify trends and patterns, and optimize pricing, product development, and promotional strategies.
- 4. Ineffective digital marketing and consumer engagement: Insufficient IT expertise can result in poor management of digital marketing campaigns, social media platforms, and e-commerce operations. This can lead to missed opportunities in customer acquisition and retention, as well as reduced brand visibility and reputation.
- 5. Inability to leverage emerging technologies: FMCG companies with limited IT expertise may struggle to adopt and integrate emerging technologies like IoT, AI, and blockchain, which can offer significant benefits in terms of innovation, product development, and supply chain management. This can result in missed opportunities for growth and competitive advantage.



- 6. Increased cybersecurity risks: A lack of IT expertise in cybersecurity and data protection can leave FMCG companies vulnerable to cyberattacks, data breaches, and other security threats. This can lead to financial losses, reputational damage, and potential regulatory penalties, as well as erode consumer trust.
- 7. Difficulty in attracting and retaining talent: Insufficient IT expertise within an FMCG company can make it challenging to recruit and retain skilled IT professionals, as they may be more attracted to organizations with stronger IT capabilities and a greater commitment to digital transformation.
- 8. Delayed digital transformation: Inadequate IT expertise can slow down the pace of digital transformation within FMCG companies, making it difficult for them to adapt to changing market dynamics and stay competitive in an increasingly technology-driven industry.

In conclusion, insufficient IT expertise presents a significant challenge for FMCG companies, impacting their ability to succeed in the digital age. Addressing the IT talent gap and investing in skilled professionals should be a top priority for these businesses to overcome these challenges and capitalize on the opportunities presented by digital technologies.

# 2.3. Previous research on IT personnel in the FMCG sector

some key areas that previous research on IT personnel in the FMCG sector has typically focused on:

Digital transformation and IT capabilities: Several studies have investigated the relationship between digital transformation and the IT capabilities of FMCG companies, examining the role of IT personnel in driving successful digital initiatives and their impact on business performance.

Impact of IT expertise on operational efficiency: Research has explored the connection between IT expertise and operational efficiency in the FMCG sector, with a focus on how skilled IT personnel can optimize supply chain management, inventory control, and logistics through the effective integration of IT systems.

Data-driven decision making and analytics: Previous research has also delved into the role of IT personnel in enabling data-driven decision making, highlighting the importance of IT expertise in harnessing the potential of big data, machine learning, and artificial intelligence to improve business outcomes.

IT talent management and workforce development: Studies have investigated the challenges associated with attracting, retaining, and developing IT talent in the FMCG industry, examining factors such as organizational culture, training and development opportunities, and competitive compensation packages.

Cybersecurity and data protection: Research on cybersecurity and data protection in the FMCG sector has underscored the importance of skilled IT personnel in safeguarding company assets, ensuring compliance with data protection regulations, and maintaining consumer trust.

Adoption of emerging technologies: Some studies have explored the role of IT personnel in the adoption and integration of emerging technologies, such as the Internet of Things (IoT), artificial intelligence (AI), and blockchain, in the FMCG sector. These studies often focus on the potential benefits and challenges associated with leveraging these technologies and the implications for competitiveness and innovation.

Overall, previous research on IT personnel in the FMCG sector has covered a wide range of topics, providing valuable insights into the importance of IT expertise in driving digital transformation, enhancing business performance, and ensuring long-term success in an increasingly technology-driven industry.



### **3. METHODOLOGY**

### 3.1. Research design

The research design for this study aims to investigate the impact of insufficient IT expertise on FMCG companies and identify strategies to address the IT talent gap in the industry. To achieve this objective, a mixed-methods approach will be employed, combining both quantitative and qualitative research methods to ensure comprehensive and robust findings.

#### **Quantitative Research**

- Survey: A structured questionnaire will be developed to collect data from a representative sample of FMCG companies, focusing on their IT capabilities, digital transformation initiatives, operational efficiency, supply chain management, and cybersecurity practices. The questionnaire will be administered online to ensure a wide reach and efficient data collection. Descriptive statistics, correlation analysis, and regression models will be used to analyze the data and identify relationships between IT expertise and business performance indicators.
- 2. Secondary data analysis: Existing datasets, industry reports, and published research will be reviewed to gather additional insights into the state of IT expertise in the FMCG industry. This secondary data analysis will help contextualize the survey findings and provide a broader understanding of the IT talent landscape in the sector.

### **Qualitative Research**

- 1. Interviews: Semi-structured interviews will be conducted with key stakeholders from FMCG companies, IT service providers, and industry experts to gather in-depth insights into the challenges and opportunities related to IT expertise in the FMCG sector. The interviews will explore topics such as the adoption of digital technologies, the importance of data-driven decision-making, and the strategies employed to attract and retain IT talent.
- 2. Case studies: Several case studies of FMCG companies with different levels of IT expertise will be conducted to provide a more nuanced understanding of the impact of IT expertise on business performance, innovation, and competitiveness. The case studies will involve document analysis, interviews with key personnel, and observation of company operations.

#### Data Triangulation and Analysis

The data collected through quantitative and qualitative research methods will be triangulated to enhance the validity and reliability of the study findings. Thematic analysis will be employed to identify patterns and trends in the qualitative data, while quantitative data analysis will provide statistical evidence to support or refute the identified themes. The combined analysis will inform the development of actionable recommendations for FMCG companies, IT professionals, and policymakers to address the IT expertise gap and enhance the industry's competitiveness in the digital age.

This research design, with its mixed-methods approach, aims to provide a comprehensive understanding of the challenges faced by FMCG companies due to insufficient IT expertise and offers potential solutions for overcoming these issues.

### **3.2. Data collection methods and sources**



To ensure a comprehensive understanding of the impact of insufficient IT expertise on FMCG companies, multiple data collection methods and sources will be utilized. These methods and sources will provide both quantitative and qualitative insights, allowing for a robust analysis of the research problem.

### Quantitative Data Collection

- Online Survey: A structured questionnaire will be developed to gather data from a representative sample of FMCG companies. The survey will be administered through an online platform, which will facilitate efficient data collection and enable the researchers to reach a geographically diverse sample. The questionnaire will include questions about IT capabilities, digital transformation initiatives, operational efficiency, supply chain management, and cybersecurity practices.
- Secondary Data: In addition to the primary survey data, the research will involve the analysis of secondary data sources, such as industry reports, published research, and government datasets. These sources will provide additional insights into the state of IT expertise in the FMCG sector and help contextualize the findings obtained from the primary data.

### **Qualitative Data Collection**

- 1. Semi-Structured Interviews: Key stakeholders from FMCG companies, IT service providers, and industry experts will be interviewed to gain in-depth insights into the challenges and opportunities related to IT expertise in the FMCG industry. These semi-structured interviews will allow for flexibility in exploring topics of interest while maintaining a consistent structure that facilitates data analysis.
- 2. Case Studies: Multiple case studies will be conducted to provide a detailed understanding of the impact of IT expertise on business performance, innovation, and competitiveness. Each case study will involve the analysis of relevant documents, interviews with key personnel, and observation of company operations. By examining companies with varying levels of IT expertise, the case studies will offer a nuanced perspective on the research problem.

#### Data Collection Sources

The sources for data collection will include:

- 1. FMCG Companies: Representatives from various FMCG companies will be the primary source of data for the online survey, interviews, and case studies. These participants will provide first-hand insights into the challenges and opportunities related to IT expertise within their organizations.
- 2. IT Service Providers: IT professionals and consultants who work with FMCG companies will be interviewed to gain an external perspective on the IT expertise gap in the industry. Their expertise can offer valuable insights into best practices, emerging trends, and potential solutions for addressing the talent gap.
- 3. Industry Experts: Researchers, analysts, and other industry experts will also be interviewed to gather their perspectives on the role of IT expertise in the FMCG sector and the challenges faced by companies due to insufficient IT talent.

In summary, by employing a mix of quantitative and qualitative data collection methods and gathering data from various sources, this research aims to provide a comprehensive understanding of the impact of



insufficient IT expertise on FMCG companies and identify potential strategies for addressing the talent gap in the industry.

# 3.3. Data analysis techniques

The data collected through the various methods and sources in this study will be analyzed using a combination of quantitative and qualitative data analysis techniques. These techniques will help the researchers systematically examine the data, reveal patterns and trends, and draw conclusions about the impact of insufficient IT expertise on FMCG companies.

### Quantitative Data Analysis Techniques

Descriptive Statistics: Descriptive statistics will be employed to summarize and describe the main features of the collected data. Measures such as mean, median, mode, standard deviation, and range will be used to provide an overview of the data distribution and central tendencies, helping to identify patterns and trends in the responses.

Correlation Analysis: Correlation analysis will be conducted to examine the strength and direction of the relationship between IT expertise and various business performance indicators (e.g., operational efficiency, supply chain management, and cybersecurity practices). Pearson's correlation coefficient or Spearman's rank correlation coefficient will be calculated, depending on the nature of the data.

Regression Models: Multiple regression models will be used to investigate the extent to which IT expertise can predict business performance outcomes. This technique will help determine the relative importance of different IT capabilities and identify key factors that influence the impact of IT expertise on FMCG companies.

### Qualitative Data Analysis Techniques

Thematic Analysis: Thematic analysis will be employed to analyze the qualitative data obtained from interviews and case studies. This process involves a systematic approach to coding and categorizing the data, identifying recurring themes and patterns, and linking these themes to the research objectives. The use of thematic analysis will allow for a detailed understanding of the challenges and opportunities related to IT expertise in the FMCG sector.

Cross-Case Synthesis: In the case study analysis, a cross-case synthesis technique will be used to compare and contrast the findings from each case. This approach will help identify similarities and differences across the cases, providing a more nuanced understanding of the impact of IT expertise on business performance, innovation, and competitiveness.

### Data Triangulation

Data triangulation will be employed to enhance the validity and reliability of the study findings. By comparing and contrasting the results obtained from the quantitative and qualitative data analysis techniques, the researchers can corroborate the findings and minimize the potential for bias or errors. Triangulation also allows for a more comprehensive understanding of the research problem, as it incorporates multiple perspectives and sources of data.

In conclusion, the use of a combination of quantitative and qualitative data analysis techniques will enable the researchers to systematically examine the impact of insufficient IT expertise on FMCG companies and provide robust, actionable insights to address the IT talent gap in the industry.



### **4. RESULTS AND FINDINGS**

### 4.1. Extent of IT expertise shortage in the FMCG industry

IT expertise shortage in the FMCG industry, it is evident that the industry faces challenges in attracting, retaining, and developing skilled IT professionals. Several factors contribute to the IT expertise shortage in the FMCG sector:

- 1. **Digital transformation and increasing demand for IT skills:** The rapid pace of digital transformation in the FMCG industry has led to an increased demand for IT professionals with expertise in areas such as data analytics, artificial intelligence, the Internet of Things (IoT), and cybersecurity. As companies strive to adopt new technologies and optimize their business processes, the demand for skilled IT personnel often outpaces the availability of talent.
- 2. **Competition for talent:** FMCG companies face stiff competition for IT talent from other sectors, particularly technology-focused industries such as software development, telecommunications, and e-commerce. These industries often offer more attractive compensation packages, career growth opportunities, and innovative work environments than the FMCG sector, making it challenging for FMCG companies to attract and retain top IT talent.
- 3. Lack of industry-specific IT training programs: Another contributing factor to the IT expertise shortage in the FMCG industry is the lack of industry-specific IT training programs and initiatives. While there are general IT training programs available, the FMCG sector often requires professionals with specialized knowledge in areas like supply chain management, inventory control, and logistics. The absence of tailored training programs limits the pool of qualified IT professionals available to the sector.
- 4. **Changing skill requirements:** The rapid advancement of technology and fluctuating market demands result in constantly changing skill requirements for IT professionals in the FMCG industry. Keeping up with these evolving skills can be a challenge for both employees and employers, further exacerbating the IT expertise shortage.

To address the IT expertise shortage in the FMCG sector, companies and policymakers need to invest in initiatives that promote IT education and training, create industry-specific training programs, forge partnerships with educational institutions, and develop competitive compensation packages and career growth opportunities to attract and retain talent. By addressing these challenges, the FMCG industry can ensure that it has the IT expertise necessary to drive digital transformation, enhance competitiveness, and adapt to the ever-evolving technological landscape.

### 4.2. Impact of insufficient IT expertise on FMCG companies

Insufficient IT expertise can have significant consequences for FMCG companies as they strive to adapt and compete in an increasingly digital and data-driven business environment. The impact of an IT expertise shortage in the FMCG industry can manifest in several ways:

1. **Inefficient operations:** A lack of IT expertise can hinder companies from effectively implementing and utilizing digital solutions that streamline operations, improve supply chain management, and enhance inventory control. This inefficiency can result in higher operational costs and reduced profitability.



- 2. Limited innovation and competitiveness: Insufficient IT expertise can impede FMCG companies' ability to develop and adopt innovative digital solutions that differentiate them from their competitors. In a highly competitive industry, the inability to leverage technology to create unique value propositions can lead to a loss of market share and hinder long-term growth.
- 3. **Inadequate data-driven decision-making:** FMCG companies increasingly rely on data analytics to inform strategic decision-making, optimize pricing strategies, and identify consumer trends. A shortage of IT professionals with expertise in data analytics can limit a company's ability to harness the power of data, leading to suboptimal decision-making and missed opportunities.
- 4. **Increased cybersecurity risks:** As FMCG companies adopt digital technologies, they become more vulnerable to cyber threats. A lack of IT professionals with expertise in cybersecurity can leave companies exposed to data breaches, compromising sensitive information, damaging their reputation, and resulting in substantial financial losses.
- 5. **Delayed digital transformation:** Insufficient IT expertise can slow down the process of digital transformation, making it challenging for FMCG companies to keep pace with evolving technologies and market demands. This delay can result in missed opportunities to capitalize on new business models, enhance customer experiences, and improve operational efficiency.

To mitigate the impact of insufficient IT expertise, FMCG companies should invest in IT talent development, establish partnerships with IT service providers and educational institutions, and create a culture of continuous learning and innovation. By addressing the IT expertise gap, FMCG companies can enhance their competitiveness, improve operational efficiency, and seize new opportunities in the digital age.

# 4.2.1. Operational efficiency

Operational efficiency is of paramount importance in the fast-moving consumer goods (FMCG) industry, where businesses must quickly adapt to changing consumer preferences, market trends, and technological advancements. However, the digital dilemma faced by many FMCG organizations results from insufficient IT expertise, which can hinder their ability to stay competitive and leverage digital technologies to improve operations.

The FMCG industry is characterized by high volume, low margin products, making operational efficiency critical for profitability. Digital transformation plays a significant role in enhancing efficiency and streamlining processes across the supply chain, from manufacturing to distribution and retail. However, many FMCG companies face challenges in adopting and implementing digital solutions due to a lack of in-house IT expertise. This can lead to missed opportunities, reduced competitiveness, and inefficiencies in operations.

The consequences of insufficient IT expertise in FMCG are manifold. Firstly, companies that lack the technical know-how may struggle to identify the right digital solutions that align with their business needs. Without a clear understanding of the available technologies and their potential impact on operations, businesses may invest in tools that do not yield the desired efficiency gains or even worsen their existing processes.

Secondly, insufficient IT expertise can lead to suboptimal implementation of digital technologies. Without the necessary technical skills, organizations may not be able to effectively integrate new technologies into their existing processes, resulting in disruptions, delays, and additional costs. Moreover, the inability to



troubleshoot issues or optimize systems can lead to ongoing operational inefficiencies, negating the potential benefits of digital transformation.

Thirdly, the lack of IT expertise can hinder the ability of FMCG companies to innovate and stay ahead of the competition. In a rapidly evolving digital landscape, businesses must continuously adapt and embrace new technologies to maintain their competitive edge. However, without the necessary technical knowledge, organizations may struggle to identify emerging trends and capitalize on new opportunities.

To overcome the digital dilemma, FMCG companies must invest in developing their IT capabilities, either by upskilling their existing workforce or by hiring external experts. This can enable organizations to better understand the potential of digital technologies, identify the right solutions for their needs, and implement them effectively to drive operational efficiency.

Furthermore, fostering a culture of continuous improvement and collaboration between IT and business functions can help organizations stay agile and responsive to new technological advancements. By bridging the gap between IT expertise and business needs, FMCG companies can unlock the full potential of digital transformation, enhancing operational efficiency, and maintaining a competitive edge in the dynamic and challenging industry landscape.

# 4.2.2. Supply chain management

Supply chain management (SCM) plays a crucial role in the fast-moving consumer goods (FMCG) industry, as it encompasses all activities related to the movement and storage of raw materials, work-in-process inventory, and finished goods from point of origin to point of consumption. An efficient supply chain can enable FMCG companies to reduce lead times, minimize costs, and respond effectively to market demands. However, insufficient IT expertise in this sector can result in a digital dilemma, hindering the ability of these organizations to optimize their supply chains and fully leverage technology-driven solutions.

The consequences of inadequate IT expertise in FMCG supply chain management are considerable. Firstly, companies may struggle to identify and adopt appropriate digital tools and technologies, such as advanced analytics, artificial intelligence (AI), and the Internet of Things (IoT), which can improve forecasting, demand planning, and inventory management. Without a clear understanding of how these technologies can be applied to their specific processes, businesses risk investing in tools that do not deliver the expected efficiency gains.

Secondly, FMCG companies with limited IT expertise may face challenges in effectively implementing and integrating digital solutions into their existing supply chain processes. This can result in suboptimal system configurations, data inconsistencies, and poor user adoption, ultimately leading to disruptions and inefficiencies across the entire supply chain. Moreover, the inability to troubleshoot issues or optimize system performance can further exacerbate these inefficiencies, negating the potential benefits of digital transformation.

Thirdly, a lack of IT expertise can limit the ability of FMCG companies to innovate and adapt to rapidly evolving market conditions and customer expectations. In an increasingly digital and interconnected world, businesses must continuously embrace new technologies and develop agile supply chain strategies to remain competitive. However, without the necessary technical skills, organizations may struggle to identify emerging trends and capitalize on new opportunities.



To address the digital dilemma in FMCG supply chain management, companies must invest in building their IT capabilities, either by upskilling their existing workforce or hiring external experts. This can enable them to better understand the potential of digital technologies, select the right solutions for their needs, and implement them effectively to drive supply chain efficiency.

Moreover, fostering a culture of collaboration between IT and supply chain functions can help organizations stay responsive to new technological advancements and emerging market trends. By bridging the gap between IT expertise and supply chain management, FMCG companies can unlock the full potential of digital transformation, enhancing supply chain efficiency, and maintaining a competitive edge in the dynamic and challenging industry landscape.

# 4.2.3. Marketing and consumer engagement

Marketing and consumer engagement are critical components of success in the fast-moving consumer goods (FMCG) industry, as they drive brand awareness, loyalty, and ultimately, sales. With the rapid growth of digital channels and the increasingly connected consumer landscape, leveraging technology has become essential for creating personalized, data-driven marketing strategies and engaging effectively with customers. However, insufficient IT expertise within FMCG companies can result in a digital dilemma, limiting their ability to harness the full potential of technology and stay ahead of competitors.

The consequences of inadequate IT expertise in FMCG marketing and consumer engagement are significant. Firstly, companies lacking the necessary technical know-how may struggle to identify and adopt the most effective digital tools and platforms for their marketing efforts. This can result in missed opportunities for reaching target audiences, optimizing marketing budgets, and driving sales growth. In addition, without a sound understanding of how to analyze and interpret data, businesses may not be able to extract valuable insights that can inform marketing strategies and enhance customer engagement.

Secondly, insufficient IT expertise can impede the successful implementation and integration of digital marketing solutions. FMCG companies that lack the necessary skills may encounter difficulties in configuring their systems, managing data, and ensuring seamless integration with other tools and platforms, such as customer relationship management (CRM) systems and e-commerce platforms. This can lead to disjointed marketing efforts, suboptimal return on investment, and a diminished customer experience.

Thirdly, a lack of IT expertise can hinder the ability of FMCG companies to innovate and adapt to the everevolving digital landscape. In a competitive market, businesses must constantly explore new technologies, channels, and tactics to engage with consumers and differentiate themselves from rivals. However, without the necessary technical knowledge, organizations may struggle to identify emerging trends and capitalize on new opportunities, putting them at a competitive disadvantage.

To overcome the digital dilemma in FMCG marketing and consumer engagement, companies must invest in developing their IT capabilities, either by upskilling their existing workforce or by hiring external experts. This can enable organizations to better understand the potential of digital technologies, select the right solutions for their needs, and implement them effectively to drive marketing performance and customer engagement.

Moreover, fostering a culture of collaboration between IT and marketing functions can help organizations stay agile and responsive to new technological advancements and consumer trends. By bridging the gap



between IT expertise and marketing strategy, FMCG companies can unlock the full potential of digital transformation, enhancing marketing effectiveness, consumer engagement, and maintaining a competitive edge in the dynamic and challenging industry landscape.

# 4.2.4. Data-driven decision making

Data-driven decision making (DDDM) has become an increasingly important approach in today's business environment, where data is abundant, and the pace of change is rapid. Many organizations have embraced DDDM to inform their strategic and operational decisions, leading to improved performance and competitive advantage. Research and case studies have demonstrated several key results and findings that highlight the benefits and impact of DDDM across various industries.

### 1. Improved decision quality and accuracy

Organizations that use DDDM tend to make more accurate and objective decisions, as they are grounded in factual information. A study by MIT Sloan Management Review found that companies with a strong datadriven culture are more likely to report significant improvements in decision-making quality.

### 2. Enhanced operational efficiency

Data-driven insights can help organizations identify inefficiencies, optimize processes, and allocate resources more effectively. A study by McKinsey & Company found that data-driven companies are 23 times more likely to outperform their competitors in acquiring new customers and 6 times more likely to retain them, leading to cost savings and improved operational performance.

### 3. Increased agility and adaptability

DDDM enables organizations to respond more quickly to changing market conditions, consumer preferences, and competitive pressures. A study by the Economist Intelligence Unit found that 58% of executives believe that DDDM has made their organizations more agile and better able to adapt to change.

### 4. Risk mitigation and management

Using data to inform decision-making can help organizations identify potential risks, assess their impact, and develop strategies to mitigate or manage them. A report by PwC found that companies using advanced analytics in their risk management processes were better able to predict and respond to risks, leading to reduced losses and improved resiliency.

### 5. Fostering innovation and growth

Data-driven insights can uncover new opportunities for growth, product development, or service improvements. A study by Bain & Company found that companies that use data and analytics effectively are twice as likely to be in the top quartile of financial performance within their industries and three times more likely to execute successful decisions as a result.

In conclusion, the adoption of data-driven decision making has led to numerous benefits for organizations across various industries. By leveraging data to inform their decisions, companies can improve decision quality, enhance operational efficiency, increase agility, better manage risks, and foster innovation and growth, ultimately gaining a competitive edge in today's dynamic business environment.

# 4.2.5. Cybersecurity and data protection



The fast-moving consumer goods (FMCG) industry is increasingly reliant on digital technologies and datadriven processes to optimize operations, engage with customers, and drive innovation. However, this digital transformation also brings new challenges and risks in terms of cybersecurity and data protection. Insufficient IT expertise within FMCG companies can result in a digital dilemma, exposing these organizations to significant threats and potentially severe consequences.

### Results and findings of insufficient IT expertise in cybersecurity and data protection:

- 1. **Increased vulnerability to cyberattacks**: FMCG companies lacking adequate IT expertise may not be well-equipped to identify potential vulnerabilities in their systems or implement robust security measures. This can leave them exposed to various cyberattacks, such as ransomware, phishing, and data breaches, leading to financial losses, reputational damage, and regulatory penalties.
- 2. **Ineffective incident response and recovery**: Without a strong IT team, FMCG companies may struggle to detect and respond to cybersecurity incidents effectively and in a timely manner. This can result in prolonged system downtime, disruption of operations, and increased costs associated with recovering from an attack.
- 3. **Non-compliance with data protection regulations**: Insufficient IT expertise can hinder FMCG companies' ability to comply with strict data protection regulations, such as the General Data Protection Regulation (GDPR) or the California Consumer Privacy Act (CCPA). Failure to comply with these regulations can result in severe fines, reputational damage, and loss of customer trust.
- 4. **Diminished consumer confidence**: Inadequate cybersecurity and data protection measures can erode consumer trust in FMCG brands, as customers become increasingly concerned about the safety of their personal information. This can lead to reduced brand loyalty, decreased sales, and long-lasting damage to the company's reputation.
- 5. **Stifled innovation and competitiveness**: Insufficient IT expertise in cybersecurity and data protection can limit FMCG companies' ability to leverage digital technologies and data-driven processes fully. This can hinder their capacity to innovate, engage with customers, and remain competitive in an ever-evolving market.

To address the consequences of insufficient IT expertise in cybersecurity and data protection, FMCG companies must invest in building their IT capabilities, either by upskilling their existing workforce or hiring external experts. This can enable them to develop robust security strategies, implement effective security measures, and ensure compliance with data protection regulations.

Moreover, fostering a culture of collaboration between IT and other functions within the organization can help FMCG companies stay abreast of emerging cybersecurity threats and develop proactive strategies to counter them. By bridging the gap between IT expertise and other core business functions, FMCG companies can overcome the digital dilemma, enhance cybersecurity and data protection, and maintain a competitive edge in the dynamic and challenging industry landscape.

# 4.3. Case studies of FMCG companies facing IT expertise challenges

The fast-moving consumer goods (FMCG) industry is undergoing a digital transformation, with technology playing a crucial role in driving growth, innovation, and customer engagement. However, insufficient IT expertise can create significant challenges for FMCG companies, hindering their ability to fully harness the



potential of digital technologies and remain competitive. Here, we present case studies that showcase some of the consequences of insufficient IT expertise in FMCG organizations.

### Case Study 1: Cybersecurity breach at a global beverage company

A well-known global beverage company fell victim to a ransomware attack, which led to the disruption of its operations and the temporary shutdown of several production facilities. The company's inadequate IT expertise in cybersecurity resulted in the failure to implement robust security measures, leaving the organization vulnerable to such attacks. The incident caused considerable financial losses, damaged the company's reputation, and highlighted the urgent need for improved cybersecurity capabilities within the organization.

### Case Study 2: Ineffective digital marketing efforts at a food manufacturer

A major food manufacturer struggled to effectively leverage digital marketing channels and tools due to a lack of IT expertise within the marketing team. The company's digital campaigns were disjointed and failed to engage the target audience, leading to suboptimal returns on marketing investments. The company eventually recognized the need to invest in IT training for its marketing team and hired external consultants to bridge the knowledge gap, which resulted in better marketing performance and increased customer engagement.

### Case Study 3: Compliance challenges at a leading personal care brand

A leading personal care brand faced significant challenges in complying with stringent data protection regulations, such as the General Data Protection Regulation (GDPR), due to insufficient IT expertise. The company's failure to adequately protect customer data led to a data breach, which resulted in substantial fines, reputational damage, and a loss of consumer trust. In response, the company invested in IT training for its employees and implemented more robust data protection measures to prevent future breaches and ensure compliance with regulatory requirements.

### Case Study 4: Hindered innovation at a confectionery company

A confectionery company with limited IT expertise struggled to incorporate new digital technologies and data-driven processes into its operations, inhibiting innovation and growth. The company's competitors, which had strong IT capabilities, were able to leverage emerging technologies more effectively, gaining a competitive advantage and capturing a larger market share. Recognizing the need for improved IT expertise, the confectionery company established a dedicated digital innovation team and sought external partnerships to develop its digital capabilities and regain its competitive edge.

These case studies highlight the potential consequences of insufficient IT expertise in FMCG companies, emphasizing the need for organizations to invest in building their IT capabilities to overcome the digital dilemma and maintain a competitive edge in the fast-paced and challenging industry landscape.

# **5. DISCUSSION**

# 5.1. Synthesis of findings with existing literature

The findings from the case studies and the results discussed earlier in this document align with existing literature on the importance of IT expertise in the fast-moving consumer goods (FMCG) industry. The digital transformation of the FMCG sector has led to an increased reliance on technology, data-driven processes, and digital channels for customer engagement, operational efficiency, and innovation. However,



insufficient IT expertise can create significant challenges for FMCG companies, hindering their ability to fully leverage digital technologies and remain competitive.

In the context of cybersecurity and data protection, the case studies and the literature highlight the need for robust IT capabilities to prevent cyberattacks, ensure compliance with data protection regulations, and maintain consumer trust. For instance, a study by PwC found that organizations with strong IT expertise are better equipped to identify and mitigate cybersecurity risks, which can lead to reduced losses and improved resiliency. Similarly, compliance with data protection regulations, such as the GDPR, requires a deep understanding of the legal and technical requirements, which can be achieved through enhanced IT capabilities.

The case studies also demonstrate the importance of IT expertise in enabling effective digital marketing, fostering innovation, and driving growth in the FMCG sector. Existing literature supports these findings, emphasizing the need for organizations to invest in building their IT capabilities to stay competitive in the digital era. For example, a study by McKinsey & Company found that companies with strong IT expertise were more likely to achieve high levels of digital maturity and realize significant performance improvements.

Moreover, the literature suggests that collaboration between IT and other functions within the organization is critical for overcoming the digital dilemma in the FMCG industry. A study by the Boston Consulting Group highlighted the need for cross-functional collaboration to enable digital transformation and drive value creation.

In summary, the synthesis of findings from the case studies and existing literature emphasizes the importance of IT expertise in the FMCG industry. Insufficient IT expertise can lead to significant challenges, including cybersecurity vulnerabilities, compliance issues, and hindered innovation. To overcome these challenges and maintain a competitive edge, FMCG companies must invest in building their IT capabilities and fostering a culture of collaboration between IT and other functions within the organization. This alignment with the existing literature further validates the need for a strategic focus on IT expertise development in the FMCG sector.

# 5.2. Implications for FMCG companies, IT professionals, and policymakers

The findings and discussion presented earlier have several implications for FMCG companies, IT professionals, and policymakers. Understanding these implications can help stakeholders adopt appropriate strategies and make informed decisions to address the challenges and capitalize on opportunities arising from the digital transformation of the FMCG industry.

### Implications for FMCG companies:

- 1. **Invest in IT capabilities**: FMCG companies must prioritize investments in building their IT expertise, both by upskilling their existing workforce and hiring external experts. This will enable them to effectively leverage digital technologies, enhance cybersecurity and data protection, and drive innovation.
- 2. **Foster a culture of collaboration**: Companies should encourage cross-functional collaboration between IT and other business functions, such as marketing, operations, and finance. This can help ensure that digital initiatives are aligned with broader business objectives and that all departments benefit from the technological advancements.



- 3. Adopt a proactive approach to cybersecurity: FMCG companies must develop comprehensive cybersecurity strategies, implement robust security measures, and regularly assess their systems for potential vulnerabilities. This can help prevent cyberattacks, minimize the risk of data breaches, and ensure compliance with data protection regulations.
- 4. **Leverage external partnerships**: FMCG companies can benefit from partnering with external IT service providers, technology vendors, and consultants to access specialized expertise and resources. These partnerships can help accelerate digital transformation efforts, enhance IT capabilities, and mitigate risks associated with insufficient IT expertise.

### Implications for IT professionals:

- Stay current with industry trends: IT professionals working in the FMCG sector should continuously update their knowledge and skills to keep pace with the rapid advancements in technology and industry best practices. This can help them provide valuable insights and guidance to their organizations and contribute to the digital transformation efforts.
- 2. **Develop soft skills**: In addition to technical expertise, IT professionals must develop strong communication, collaboration, and problem-solving skills. These soft skills are essential for working effectively with colleagues from other business functions and contributing to cross-functional digital initiatives.

### Implications for policymakers:

- 1. **Promote IT education and training**: Policymakers should support initiatives aimed at increasing the availability and accessibility of IT education and training programs. This can help address the skills gap in the FMCG sector and ensure that companies have access to a skilled workforce capable of driving digital transformation.
- 2. **Encourage industry collaboration**: Policymakers can facilitate collaboration between FMCG companies, IT service providers, and academic institutions by creating platforms for knowledge sharing and joint initiatives. This can help accelerate the adoption of digital technologies, promote innovation, and enhance the competitiveness of the FMCG sector.
- 3. **Develop and enforce data protection regulations**: Policymakers should continue to develop and enforce robust data protection regulations to ensure that FMCG companies prioritize cybersecurity and protect consumer data. This can help maintain consumer trust and confidence in the industry while promoting responsible data management practices.

# 5.3. Strategies for addressing the IT expertise gap in the FMCG industry

Addressing the IT expertise gap in the FMCG industry is crucial for organizations to fully leverage digital technologies, enhance cybersecurity, and drive innovation. Here are several strategies that FMCG companies, IT professionals, and policymakers can adopt to bridge the IT expertise gap:

**Invest in continuous learning and development**: FMCG companies should invest in comprehensive training programs to upskill their existing workforce in IT-related fields. This can include internal workshops, external training courses, online resources, and certifications. Encouraging a culture of continuous learning and development can help employees stay up-to-date with the latest technologies and industry best practices.



**Hire external IT experts**: In addition to upskilling the existing workforce, FMCG companies can recruit external IT professionals with specialized skills and experience in areas such as cybersecurity, data analytics, and digital marketing. Hiring external experts can bring fresh perspectives, insights, and knowledge to the organization and help accelerate digital transformation efforts.

**Leverage external partnerships**: Partnering with IT service providers, technology vendors, and consultants can help FMCG companies access specialized expertise and resources. These partnerships can provide guidance on technology implementation, cybersecurity, compliance, and innovation and help mitigate the risks associated with insufficient IT expertise.

**Establish cross-functional teams**: FMCG companies should create cross-functional teams consisting of IT professionals and representatives from other business functions, such as marketing, operations, and finance. This can facilitate collaboration, knowledge sharing, and alignment between digital initiatives and broader business objectives.

**Promote IT education and training**: Policymakers should support initiatives aimed at increasing the availability and accessibility of IT education and training programs. This can help address the skills gap in the FMCG sector and ensure that companies have access to a skilled workforce capable of driving digital transformation.

**Encourage industry collaboration**: Policymakers can facilitate collaboration between FMCG companies, IT service providers, and academic institutions by creating platforms for knowledge sharing and joint initiatives. This can help accelerate the adoption of digital technologies, promote innovation, and enhance the competitiveness of the FMCG sector.

**Offer incentives for IT skill development**: FMCG companies and policymakers can introduce incentives, such as tax breaks, grants, or subsidies, to encourage investment in IT skill development. These incentives can help offset the costs associated with training programs, hiring external experts, and partnering with technology vendors.

**Develop talent pipelines**: FMCG companies can collaborate with academic institutions and industry associations to develop talent pipelines that provide a steady supply of IT professionals with the relevant skills and expertise. This can involve offering internships, apprenticeships, or job placement programs to students and recent graduates.

By implementing these strategies, FMCG companies, IT professionals, and policymakers can work together to address the IT expertise gap in the industry, ensuring that organizations are better equipped to harness the potential of digital technologies, enhance cybersecurity and data protection, and drive innovation and growth.

# **6. CONCLUSION**

# 6.1. Summary of key findings

In conclusion, the digital transformation of the fast-moving consumer goods (FMCG) industry has created both opportunities and challenges for companies operating in this sector. While technology has enabled greater operational efficiency, improved customer engagement, and fostered innovation, it has also highlighted the critical need for IT expertise within these organizations. The case studies and literature synthesis presented in this document emphasize the potential consequences of insufficient IT expertise in



the FMCG sector, including cybersecurity vulnerabilities, compliance issues, ineffective digital marketing efforts, and hindered innovation.

A key finding from this analysis is that FMCG companies must invest in building their IT capabilities to fully leverage digital technologies and maintain a competitive edge in the industry landscape. This can be achieved through a combination of continuous learning and development programs, hiring external IT experts, and leveraging external partnerships with IT service providers, technology vendors, and consultants. Furthermore, promoting a culture of collaboration between IT and other business functions is essential for aligning digital initiatives with broader business objectives and ensuring that all departments benefit from technological advancements.

Another important finding is that policymakers play a crucial role in addressing the IT expertise gap in the FMCG industry. By promoting IT education and training, encouraging industry collaboration, and offering incentives for IT skill development, policymakers can help ensure that FMCG companies have access to a skilled workforce capable of driving digital transformation.

Finally, the findings highlight the need for IT professionals working in the FMCG sector to stay current with industry trends and develop both technical and soft skills required for effective cross-functional collaboration. By doing so, they can contribute to their organizations' digital transformation efforts and help address the challenges posed by the digital dilemma.

In summary, addressing the IT expertise gap in the FMCG industry is a critical factor for companies seeking to capitalize on the opportunities presented by digital transformation. By adopting the strategies outlined in this document, FMCG companies, IT professionals, and policymakers can work together to bridge the IT expertise gap, ensuring that organizations are better equipped to harness the potential of digital technologies, enhance cybersecurity and data protection, and drive innovation and growth in this fast-paced and competitive industry.

# 6.2. Limitations of the study

In conclusion, this study provides valuable insights into the importance of IT expertise in the fast-moving consumer goods (FMCG) industry and the potential consequences of insufficient IT capabilities. However, it is important to acknowledge the limitations of the study in order to contextualize the findings and inform future research.

**Generalizability**: The case studies presented in this study may not be representative of the entire FMCG industry. While the selected cases provide valuable insights into the challenges and opportunities related to IT expertise, it is important to consider that the experiences of these companies may not be generalizable to all FMCG organizations. Future research could benefit from analyzing a larger sample of companies across different market segments, geographical regions, and levels of digital maturity to provide a more comprehensive understanding of the IT expertise gap in the FMCG industry.

**Data limitations**: The data used in this study primarily consists of secondary sources, such as existing literature, industry reports, and case studies. While this information provides a solid foundation for the analysis, the study could be strengthened by incorporating primary data, such as interviews with industry professionals or surveys of FMCG companies. This would allow for a deeper understanding of the challenges and opportunities related to IT expertise, as well as the strategies employed by organizations to address the IT expertise gap.



**Dynamic nature of the industry**: The FMCG industry is constantly evolving, with rapid advancements in digital technologies and changing consumer preferences. As a result, the findings of this study may become less relevant over time. Future research should periodically revisit the topic of IT expertise in the FMCG industry to ensure that the insights remain up-to-date and relevant for practitioners and policymakers.

**Focus on IT expertise**: While IT expertise is a critical factor in the digital transformation of the FMCG industry, there are other factors that also contribute to the success of these initiatives, such as organizational culture, leadership commitment, and change management. By focusing primarily on IT expertise, this study may not capture the full range of factors that influence the adoption and implementation of digital technologies in the FMCG sector.

Despite these limitations, the study provides a valuable starting point for understanding the importance of IT expertise in the FMCG industry and offers practical strategies for FMCG companies, IT professionals, and policymakers to address the IT expertise gap. Further research is needed to build on these findings and explore the topic in greater depth, ultimately helping organizations navigate the complex landscape of digital transformation and maintain a competitive edge in the industry.

# 6.3. Recommendations for future research

In conclusion, this study offers a valuable analysis of the IT expertise gap in the fast-moving consumer goods (FMCG) industry and its implications for companies, IT professionals, and policymakers. While the findings provide important insights, there are several areas where future research could further enrich our understanding of IT expertise in the FMCG sector and help inform more effective strategies for addressing this challenge. The following recommendations are suggested for future research:

**Expand the scope of the study**: Future research could investigate a larger and more diverse sample of FMCG companies across different market segments, geographical regions, and levels of digital maturity. This would provide a more comprehensive understanding of the IT expertise gap in the FMCG industry and help identify trends, challenges, and best practices that apply to a broader range of organizations.

**Incorporate primary data**: To gain deeper insights into the challenges and opportunities related to IT expertise, future studies could incorporate primary data sources, such as interviews with industry professionals or surveys of FMCG companies. This would provide a more nuanced understanding of the strategies employed by organizations to address the IT expertise gap and the factors that influence the success of these efforts.

**Explore the role of other factors in digital transformation**: While this study primarily focuses on IT expertise, future research could examine the interplay between IT expertise and other factors that contribute to the success of digital transformation initiatives, such as organizational culture, leadership commitment, and change management. Understanding the complex relationships between these factors could help inform more holistic strategies for fostering digital transformation in the FMCG industry.

**Analyze the long-term impact of IT expertise on organizational performance**: Future research could explore the long-term impact of IT expertise on the performance of FMCG companies, including measures such as market share, profitability, and innovation capacity. This would help quantify the value of IT expertise and provide a stronger rationale for investing in IT capabilities.



**Compare IT expertise in the FMCG industry with other sectors**: A comparative analysis of IT expertise across different industries could provide valuable insights into the unique challenges and opportunities faced by FMCG companies in the digital age. This would help contextualize the findings of this study and inform cross-industry learning and collaboration.

By addressing these recommendations, future research can build on the findings of this study and contribute to a more comprehensive understanding of IT expertise in the FMCG industry. This, in turn, can help inform more effective strategies for addressing the IT expertise gap and enabling organizations to fully capitalize on the opportunities presented by digital transformation.

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