



Impact of Digital on IT Services in the CPG Sector: 2017

Market Analysis
Report Abstract

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Who Is This Report For?

NelsonHall's "Impact of Digital on IT Services in the CPG Sector: 2017" report is a comprehensive market assessment report designed for:

- Sourcing managers investigating sourcing developments within the CPG sector
- Vendor marketing, sales and business managers developing strategies to target IT services (ITS) opportunities within the CPG sector
- Financial analysts and investors specializing in the IT services and BPS sector.

Scope of the Report

The report is based on interviews with executives in the CPG sector in the U.S., U.K., Continental Europe, and Asia Pacific.

The report analyzes the worldwide market for IT services within the CPG sector and addresses the following questions:

- What are the principal business priorities faced by organizations in the CPG sector?
- What IT initiatives are planned by organizations in the CPG sector?
- How relevant are digital initiatives to organizations in the CPG sector?
- What digital initiatives are planned by organizations in the CPG sector?
- What business areas are targeted for digital initiatives by organizations in the CPG sector?
- What digital technologies are planned to be introduced by organizations in the CPG sector?
- What are the key selection criteria used by organizations in the CPG sector to select suppliers to implement digital initiatives?
- What shifts in sourcing approach are expected by executives in the CPG sector over the next three years?
- How do companies in the CPG sector expect their spend on ITS services to change over the next three years?



Key Issues & Highlights

Facing an evolving competitive landscape, CPG companies are primarily focused on understanding and serving their customers better. In parallel, they are seeking to reduce costs across a variety of operational areas.

CPG companies, unprompted, most commonly identified business priorities that include better understanding and anticipating customer demand as it evolves, as well as addressing logistics and service location strategy to both reduce cost and improve timeliness to customers.

Internally, priorities are focusing on cost reduction in areas that include logistics, transport, compliance in financial reporting, property maintenance and overheads, and supply chain.

Digital is a significant mechanism in addressing these issues and 80% of CPG companies see digital as highly relevant to their industry. In particular, CPG companies are:

- Expanding the use of digital and analytics to better tailor products, sales and marketing to address customer needs, enhance their customer experience, and increase their average revenues per customer
- Focusing their digital initiatives around supply chain management to enhance their supply chain, order management, and internal operations through the expanded use of IoT/sensor based applications
- Automating IT operations while modernizing their application landscapes and further reducing IT spend through retiring legacy applications, migrating to SaaS and cloud
- Increasingly using niche specialist vendors with business knowledge and an ability to apply a business perspective to applying digital.

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Report Length

49 pages, consisting of 7 chapters

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