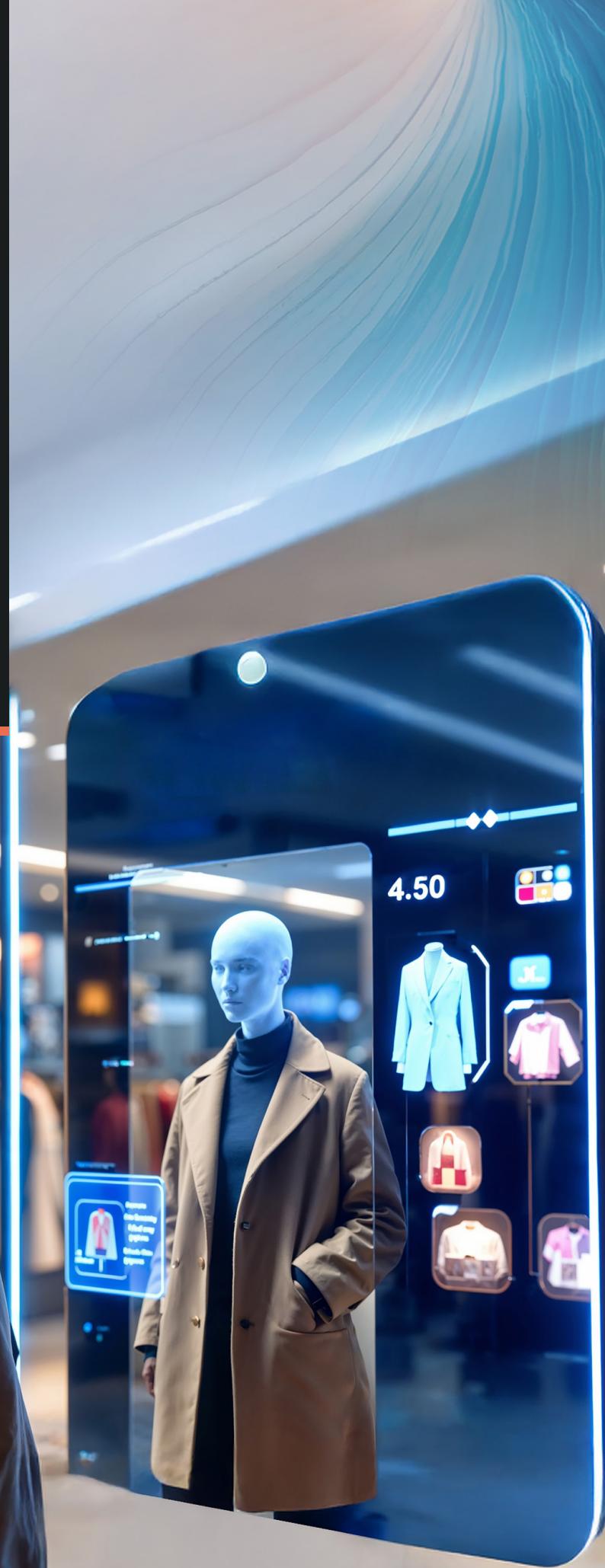
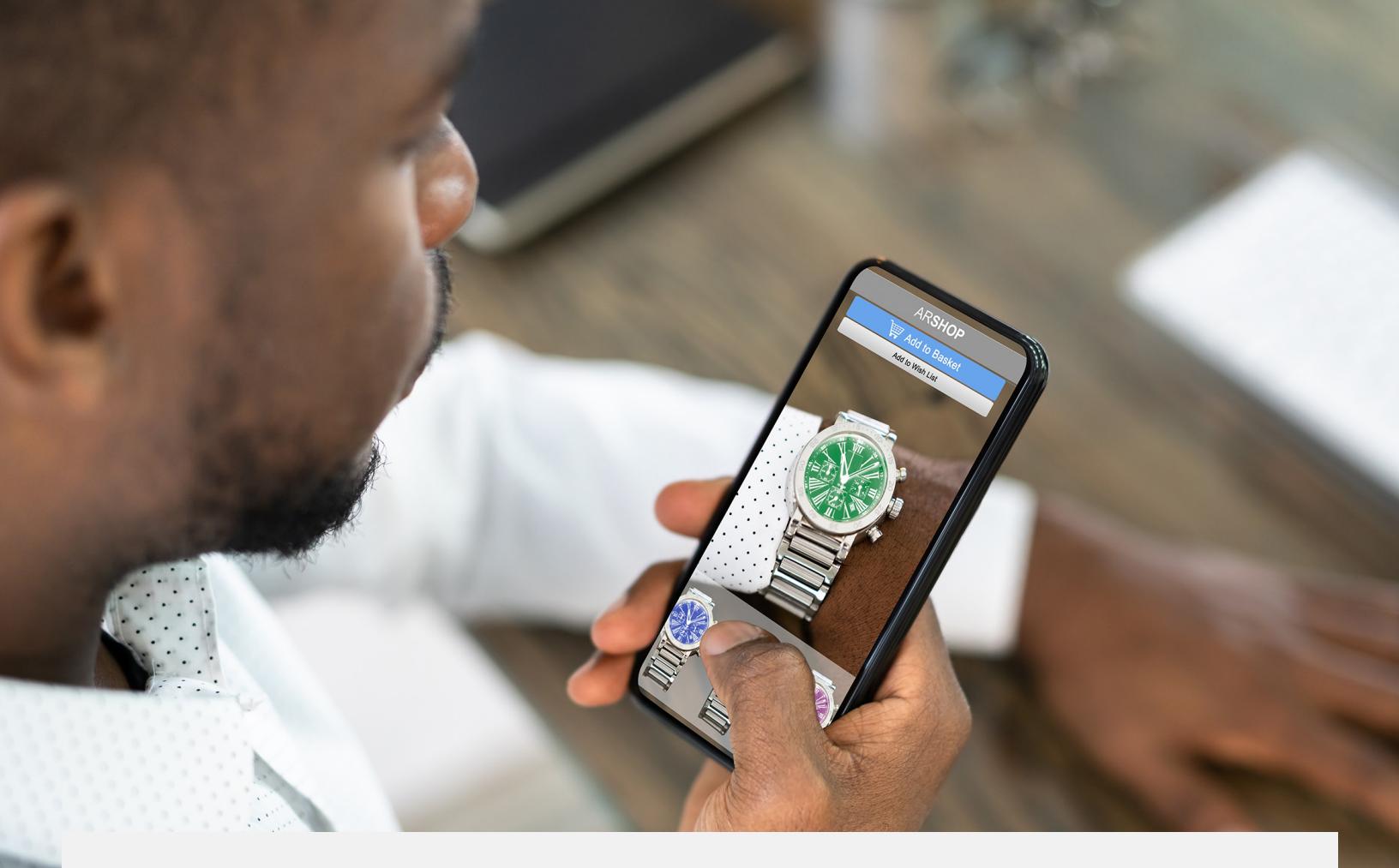


Retail and CPG in 2026: 5 Trends Defining the Future

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The retail and CPG landscape continues to evolve rapidly. However, in 2026, the nature of the conversation is shifting. The industry is leaving behind an era of experimentation, defined by Artificial Intelligence (AI) pilots, proofs of concept and pockets of innovation, and entering a new phase with operational excellence at the core of the enterprise. The question now is whether retail and CPG brands can realize the richer, more complex operating models that AI, among other technologies, makes possible.

Promisingly, the industry believes it can. Despite 95 percent of retail executives anticipating higher costs in 2026 due to changes in global trade policies and uneven economic growth, optimism reigns. A similar figure (96 percent) expects

industry revenues to grow, while 81 percent foresee margin increases.¹ Confidence in AI's strategic importance is fueling this feeling, with more than 90 percent planning to continue investing in AI at current or higher levels even if the investments do not pay off in the next year.²

Unlocking transformation at scale, however, won't be easy. Most retailers anticipate moderate, hard-earned gains rather than a consistent rising tide. This places a premium on quality of execution: Outperforming the market through better decisions, faster deployment and more resilient operating models. Here, we explore five trends set to define the industry in the year ahead, which firms can harness to achieve this transformation and thrive in 2026 and beyond.





1. Polarized Patterns

Consumer behavior in 2026 is increasingly polarized, creating markets stretched in opposite directions. One the one hand, value focused households continue to trade down, leaning into discounters, private label and tightly priced essentials. On the other hand, affluent shoppers are trading up, seeking premium experiences, elevated products and differentiated levels of service.

This two speed dynamic is borne out in current consumer spending and attitudes. According to a recent analysis, 50 percent of all consumer spending in the US is driven by the top 10 percent of earners.³ Research from McKinsey, meanwhile, shows intention to splurge varying across demographic groups, and lower-income consumers more likely to trade down on certain items.⁴

As this pattern re-shapes demand in the year ahead, organizations will be tasked with managing divergent expectations simultaneously. Whether value engineering core ranges to deliver affordability without eroding trust or sharpening premium propositions with distinctive experiences, a generic approach will not be sufficient to connect both ends of the spectrum.

[Advanced data capabilities](#), scenario planning and cross functional alignment will prove integral as polarization introduces new levels of analytical and operational complexity. [Next-generation analytics solutions](#) can help retailers respond at speed, with one retailer harnessing [AI-driven segmentation](#) to enable hyperpersonalized communications and enhanced loyalty. Procter & Gamble (P&G) is another brand leading the charge, using AI-driven virtual testing environments to simulate consumer reactions to product concepts. By bypassing traditional focus groups, this agile approach has boosted the success rate of new product launches by 25 percent.⁵

New levels of personalization, powered by AI, will also help brands meet these polarized needs. 67 percent of retail executives expect to achieve AI-driven personalization capabilities within the next year, unlocking dynamic bundles, contextual offers, tailored recommendations and increasingly sophisticated price and markdown optimization.⁶

³The Top 10% of Earners Drive Nearly Half of All Consumer Spending | Yahoo! Finance

⁴An Update on US Consumer Sentiment: Pragmatism Defines the Holidays | McKinsey & Company

⁵What Matters to Today's Consumer 2026 | Capgemini Research Institute

⁶2026 Retail Industry Global Outlook | Deloitte



2. Experiential, Adaptive Stores

In 2026, the physical store is evolving. The journey from single-purpose retail box to something more meaningful will this year see stores emerge as adaptive assets; simultaneously showrooms, service hubs, fulfillment centers and even media stages.

Consumer mindsets are driving this shift forward. According to recent research, 73 percent of US shoppers say that physically touching and holding gifts makes it easier to visualize how the near and dear ones will enjoy them, while 63 percent of consumers opine that they are more likely to find unique gifts in stores rather than online.⁷

Leading brands are taking their cue, creating environments that blur boundaries between commerce, culture, convenience and creativity to reap the benefits of this engagement. Flagship concepts now blend immersive tech, hands on discovery and community driven spaces. Beauty and wellness brands are creating interactive zones for testing, learning and content creation, while fashion retailers are integrating lifestyle elements, such as fitness studios, to extend their role beyond retail.

In doing so, they are re-imagining what physical stores represent, with functional flexibility the fundamental

tenet enabling this all-action approach. As fulfillment nodes, stores can anchor last mile logistics. As showrooms, they enhance discovery and tactile engagement. As service centers, they offer repairs, consultations and expertise that strengthen emotional connection. And as media stages, home to livestreams, events and influencer activations, they can generate brand heat and data well beyond their physical footprint.

These expanded roles, however, demand new approaches. Embracing this future, one leading e-retailer re-engineered its [content management](#) around a seamless, omni-channel approach, cutting time to market by more than 70 percent while elevating the experience for premium customer segments. Key performance indicators that integrate fulfillment efficiency, experiential engagement, content productivity and lifetime value will also be integral. So too will support from re-designed, AI-enabled workforces. Those that orchestrate stores as fluid, data-rich environments capable of switching modes seamlessly will be best placed to deliver cultural as well as commercial impact in the year ahead.

⁷The Return of Touch Report: Holiday Shopping, Reconnected | The Harris Poll



3. AI Excellence at Scale

Firms are moving from experimentation toward enterprise-wide excellence with their AI deployments. After years of pilots, leading retailers and CPG brands have embedded AI into core processes, powering demand forecasting, inventory planning, assortment optimization, promotion effectiveness and labor scheduling across regions and channels. The divide is no longer about access to AI, but the ability to deploy it at scale with strategic discipline and measurable impact.

Agentic AI, AI agents that can proactively manage and execute processes with minimal human intervention, sits at the heart of this transformation. Their use in operations more than doubled to 21 percent in 2025, with 82 percent of organizations planning to further integrate AI agents by 2027.⁸ Combined with real-time data, this rapid adoption is enabling a new kind of enterprise core that is dynamic, modular and data driven, with platforms, AI agents and people working together to achieve efficiencies and create business value.

This will see the enterprise become increasingly autonomous, with technology continuously adapting, self-correcting and evolving with the business. Scaling such AI-powered capabilities has already proved transformative for leading retailers and CPG firms. For example, a leading frozen foods company deployed [AI-led risk intelligence](#) and analytics across its supply chain to improve forecasting accuracy, strengthen risk visibility and drive material efficiency gains, illustrating how AI delivers value when embedded at scale into core operations.

This transformation, from faster innovation and enhanced customer experiences to enterprise-wide resilience and the ability to anticipate change, will be integral to unlocking growth in 2026 and beyond.



⁸Top Tech Trends of 2026 | Capgemini



4. Agentic Commerce

Chatbots and AI shopping agents now guide search, curate options and complete transactions for many consumers. It's happening across channels, from retailer apps to messaging platforms and voice assistants. In 2026, we can expect this shift to accelerate further with consumers delegating even more to AI agents, as we enter the era of agentic commerce.

This shift is well underway. McKinsey data shows that half of consumers already use AI-powered search today, with USD 750 Billion forecast to funnel through AI-powered search by 2028.⁹ Positive experiences are seeing familiarity grow, with more than one in four consumers trusting AI more now than they did 6 months ago.¹⁰

As agentic capabilities grow, AI is increasingly becoming the decision-maker. Shopping agents now search catalogs, compare pricing, assess availability and execute purchases on consumers' behalf, fundamentally re-shaping how demand is surfaced and fulfilled. Google is one organization leading from the front in this space, launching agentic shopping capabilities across its platforms that are able to call stores on behalf of users and place orders when prices fall within their budgets.¹¹

As well as retailers embedding AI-powered capabilities in their own platforms, others are transforming the landscape by slotting directly into existing AI assistant conversations. PayPal's Honey browser extension, for instance, displays products that chatbots recommend with real-time pricing, merchant options and exclusive offers.¹²

For retailers, visibility is no longer just about shelf space or search ranking. It also depends on how seamlessly products perform within conversational journeys that blend discovery, service and transaction. Chatbots and AI agents now act as media channels, customer assistants and sales engines at once, guiding search, curating options and completing purchases. To compete, the year ahead will rest on turning high-trust conversations into repeatable, scalable growth as agentic commerce becomes the default path to purchase.



⁹New Front Door to the Internet: Winning in the Age of AI Search | McKinsey & Company

¹⁰2025 Holiday Retail Survey | Deloitte

¹¹Let AI Do the Hard Parts of Your Holiday Shopping | Google

¹²PayPal Continues to Shape Agentic Commerce with Instant Product Discovery | PayPal



5. Platform Dominance

Retail dynamics are set to be challenged further by the continued success of marketplaces and social commerce. The latter alone is forecast to generate over USD 100 Billion in sales in 2026, accounting for more than 8 percent of the total e-commerce market.¹³

As they capture more traffic, brands must work to balance multi-platform operations, with each carrying distinct economics, rules of engagement and margin profiles. Assortments, pricing strategies and content must be synchronized with precision in response. Inconsistent data, misaligned promotions or operational gaps are quickly penalized, while the growth of AI-curated environments explored above adds further risks.

Another challenge is ensuring visibility on platforms that increasingly operate as full media ecosystems, blending commerce, advertising, content and data into tightly integrated environments. Many retailers will seek to double down on their role as media owners, harnessing stores, apps and digital surfaces to compete and drive relevance across fragmented journeys. California-based retailer Pacsun is innovating to meet this challenge, launching its own social commerce app that allows creators to share content, build followings and earn affiliate commission, all within the Pacsun ecosystem.¹⁴

¹³AI Is Fueling a \$100 Billion Boom in Social Commerce | Forbes

¹⁴Pacsun Launches New Social Commerce App | The Business of Fashion

Unlocking Transformation in 2026

There's no question that AI, platform evolution and personalization technologies are rapidly re-shaping the retail and consumer product landscape. However, 2026 is poised to be the year their transformative impact reaches true scale. What began as experimentation is now being realized in the form of new operating models, new sources of advantage and new expectations.

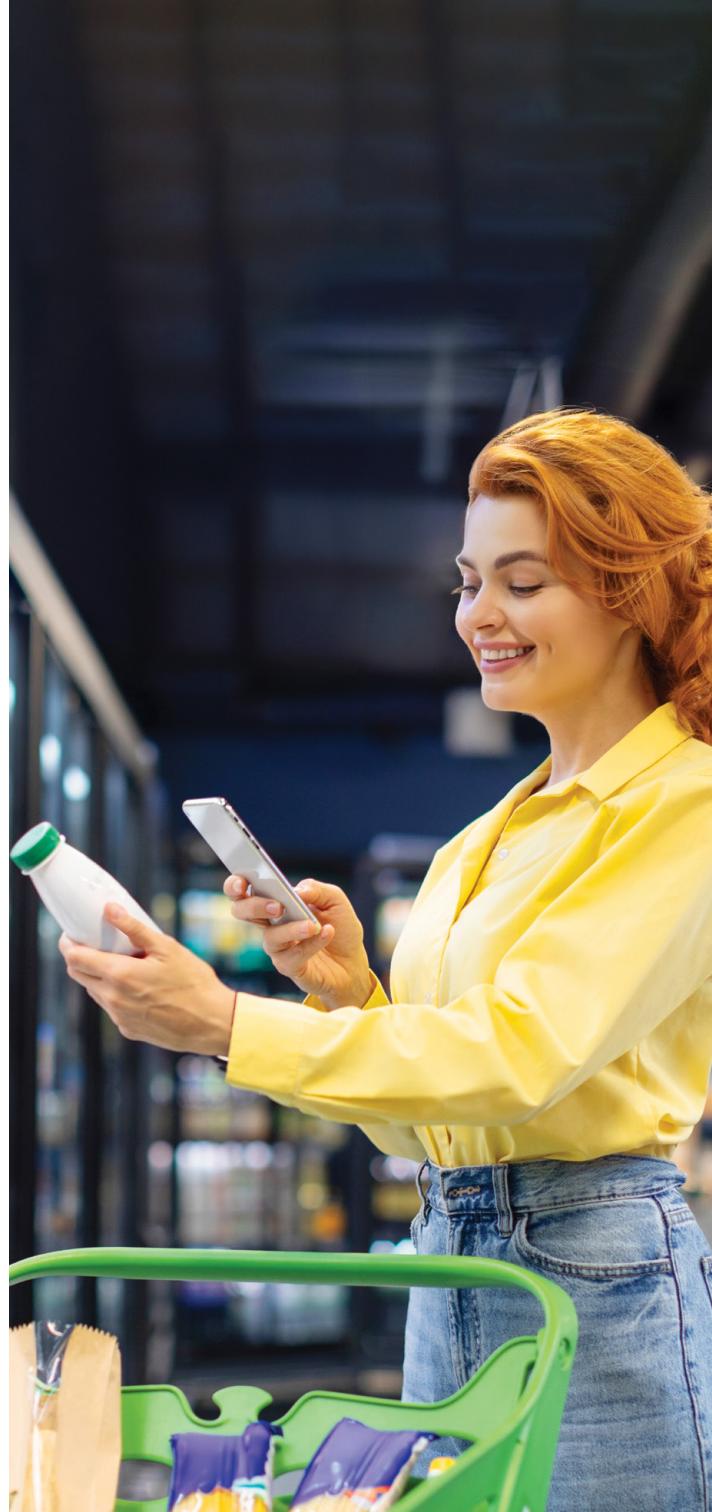
The organizations pulling ahead are those embedding intelligence strategically, turning ambition into repeatable execution across data, operations and customer experiences. Such approaches will prove integral to achieving success in 2026, a year in which retailers are prioritizing growth and market expansion (55 percent), customer focus (52 percent) and operational transformation (48 percent).¹⁵

Doing so alone represents a significant challenge, which is why 58 percent of retail CEOs are planning M&A in the next 12 months to access new technologies (37 percent) and new capabilities (35 percent).¹⁶ For many, partnering with specialists represents a way to do so quickly and with confidence. The right partnership can provide instant access to an optimized combination of advanced analytics and AI with deep domain expertise, paving the way for organizations to embrace transformation and define how consumers discover, choose and engage with brands in 2026 and beyond.

Explore how intelligence, platforms and execution come together in retail and CPG.

¹⁵2026 Retail Industry Global Outlook | Deloitte

¹⁶Retail Business Models Need to Adapt to Drive Growth | EY



About WNS

WNS, part of Capgemini, is an Agentic AI-powered intelligent operations and transformation company. We combine deep domain expertise with talent, technology, and AI to co-create innovative solutions for over 700 clients across various industries. WNS delivers an entire spectrum of solutions, including industry-specific offerings, customer experience services, finance and accounting, human resources, procurement, and research and analytics to re-imagine the digital future of businesses. WNS has 66,085 professionals across 65 delivery centers worldwide, including facilities in Canada, China, Costa Rica, India, Malaysia, the Philippines, Poland, Romania, South Africa, Sri Lanka, Turkey, the United Kingdom, and the United States.

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