



On the CAE Agenda Q3/Q4, 2025 – Consumer and Retail

The role and focus of internal audit (IA) in the consumer and retail sectors are ever evolving. This installment of the KPMG *On the CAE Agenda* series provides quick insights into what IA leaders within the consumer and retail industries may be hearing, doing, and discussing with their stakeholders across the core elements of their business agendas during the second half of 2025.



Spotlight on:

Data, analytics, and insights

- Adoption/use of AI technologies in IA
- Data-driven enterprise and IA risk assessment
- Need for more specialized or mature capabilities around technology, data, and insights
- IA's role in the company's data quality and governance journey
- Risks of agentic AI
- Enhancing IA's operational model
- Bias and transparency

Operating model agility: IA's role in cost containment

- Continuously adapt audit plans to prioritize emerging risks in procurement and cost-saving opportunities using real-time data and analytics.
- Employ agile auditing techniques to review inventory management systems and operational processes, especially regarding manufacture, distribution, and held for sale.
- Use technology to automate compliance checks and establish proactive controls, allowing for swift identification and reduction of discrepancies and shrinkage.
- Use iterative assessment approaches to review investments for ROI, adapting evaluation criteria as projects evolve to ensure benefits are realized efficiently.
- Implement adaptive expense control: Use flexible, technology-driven auditing processes around expense management, with the ability to rapidly address and correct noncompliance or excessive spending.



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