

The resilience playbook for consumer goods companies in the GCC

Current disruptions have created immediate operating challenges for consumer goods companies, affecting freight costs, insurance premiums, lead times, and planning. Instability, whether it comes from geopolitical conflict, natural disaster, or sudden market shock, impacts manufacturers and distributors through the same narrow set of channels: disrupted sourcing, broken logistics, and volatile demand. Few companies are ever fully prepared. Robust systems built in calmer times certainly help, but moments of volatility are not the time to build new ones.

In this environment, what matters most is execution. On the supply side, manufacturers and distributors must protect inputs, while on the commercial front the pivot is toward managing demand-driven pressures. In both areas, companies need to make faster decisions, manage tough trade-offs, and stay disciplined on pricing and costs.

Supply side: Secure inputs

The first move is triage to protect supply inputs. Companies need to reallocate production capacity, labor, and scarce inputs to their core SKUs—whether essential, high-volume, or contractually committed. Long-tail products and innovation pipelines can be deprioritized for now.

In procurement, the goal shifts from cost optimization to supply continuity, reliable delivery, and uninterrupted production. To understand vulnerabilities, companies can map their supplier exposure by geography and corridor. To increase supply, they can redirect open purchase orders to secure critical inputs. Spot buying through traders, wholesalers, and SMEs in the region can all help mitigate supply gaps. Companies should also identify and onboard alternate suppliers at speed, make specifications more flexible in the short term, and adjust payment terms to unlock capacity from stressed vendors.

In operations, companies can simplify recipes, packaging, and formats to become less dependent on constrained materials. Where applicable, they can repurpose dedicated production batches — for example, shifting food-service formats into retail packs to redirect volume toward the most active channels.

In terms of logistics, reconfiguring value chains can increase resilience. Flexible routing across carriers, ports, and modes, combined with overland or multi-modal options, can help bypass bottlenecks. Shipments can be split across routes to reduce single-point failure.

Inventory becomes the primary lever to stabilize the network. Available stock must be controlled centrally and reallocated dynamically across plants, warehouses, and markets. Stock already inside the network carries disproportionate strategic value relative to incoming flows.



Companies do not need to invest in major facility or network upgrades. Instead, they can focus on improving the efficiency and productivity of their existing assets.

Demand side: Protect margins

On the commercial front, manufacturers and distributors face different challenges. Supply may be tight, but products still need to flow, and margins must be defended. The objective today is less about capturing growth than protecting share, and keeping commercial operations manageable. Two levers do most of the work.

Pricing and promotion discipline come first. Abrupt pricing moves on essential goods (even if warranted by higher input costs) often trigger a consumer backlash and erode trust that is hard to rebuild. Non-visible levers tend to be more successful. For example, companies can scale back promotion activity, adjust pack sizes, and optimize their product mix. In parallel, they must actively manage price architecture across the portfolio and allocate resources to ensure that high-demand SKUs are available, to maintain credibility with priority customers.

Reprioritizing across channels and customers comes second. Key accounts and high-throughput customers should be protected, while smaller or harder-to-serve accounts can be scaled back or moved to indirect coverage. E-commerce and quick-commerce can become an effective way to serve consumers. Above all, clear and frequent communication with customers and partners helps manage expectations and preempts panic ordering.

Enablers: Temporary mechanisms and cash discipline

Both supply-side and demand-side measures require temporary governance designed for rapid decision-making. Companies should create a cross-functional rapid response committee that meets daily to manage trade-offs across allocation, sourcing, and channel priorities. The committee needs explicit decision-making authority, with streamlined approval layers and escalation thresholds so that issues get resolved in hours rather than weeks.

To support the committee, a dedicated control tower provides real-time visibility on stock positions, supply flows, customer fill rates, and service levels. Its value is not analytical sophistication but speed, and it can be manual if systems aren't integrated. The goal is to ensure the committee works from a shared, current view of reality rather than reconciling functional data in the room.

Cash discipline and cost control are baseline requirements. Weekly rolling cash forecasts should replace monthly cycles. Non-immediate costs and investments should be paused, with capex frozen. Accelerating receivables, liquidating slow-moving inventory, and renegotiating payment terms can all boost working capital.

In sum, the current environment is extremely tough, but leaders should focus on a few clear objectives: simplify decision-making, concentrate resources on the actions that matter most, and execute consistently. Companies that get those elements right will position themselves to not just survive the current situation but outperform the competition when it finally ends.

Makram Debbas

Partner

Makram.debbas@strategyand.pwc.com

Ahmad Bakri

Partner

Ahmad.bakri@strategyand.pwc.com

Tommaso Pavia

Principal

Tommaso.pavia@strategyand.pwc.com

www.strategyand.pwc.com/me