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Abstract - Since uncertainty in the business domain has increased the urgency for scenario development as a strategic tool, the research examined the relationships between the leadership model, organizational citizenship behavior, and sales management control variables using scenario planning. The questionnaire’s scaling using a Likert scale was done toward results from discussions and in-depth interviews with several experts in Fast-Moving Consumer Goods (FMCG) organizations, FMCG organizational leaders (Chief Executive Officers/CEOs), leadership experts, organizational behavior consultants, and organizational performance practitioners. The research finds that external and internal forces determine the success of digital transformation. External forces consist of digital technology availability, consumer expectations, business competition maps, and digital talents. Internal forces are budget allocation, competency trap versus growth mindset, organizational structure, and organizational culture. The scenario matrix plot formed four scenarios of the digital transformation in the sales organization of Indonesia’s FMCG companies (realistic, pessimistic, optimistic, and super-optimistic), where realistic (iteration improvement scenario) is largely predicted to occur for companies carrying out digital transformation. Such scenario requires sales organizations to have a growth mindset to deal with the uncertainty of customer/consumer expectations properly. The strategy appearing as an FMCG digital transformation compass is expected to advise FMCG companies in Indonesia when executing and overseeing the digital transformation within their companies.

Keywords: digital transformation, leadership model, organizational citizenship behavior, sales management control, scenario planning

I. INTRODUCTION

Fast-Moving Consumer Goods (FMCG) are a set of products that are quickly sold at affordable prices since they are widely used daily. Most circulating FMCG are household products with limited expiry dates, such as packaged food and beverages, toiletries, cosmetics, and medicines. FMCG is popular in Europe, Asia, and Oceania, while Consumer Packaged Goods (CPG) is more famous in America (Tarallo, Akabane, & Shimabukuro, 2019). With a limited expiry date and often used for household needs, many companies engaged in the FMCG industry have paid attention to consumer loyalty. Therefore, companies in this sector have a large trading volume. They also export, implying that an extensive distribution network is vital for the success of a company engaged in the FMCG industry.

Every year, companies engaged in the FMCG industry assemble their human resources to develop and win customers’ trust. With many companies offering similar products at competitive prices, the marketing strategy developed by each company to win the competition determines their future. The marketing strategy is indeed supplemented by many investments so that a marketing research team can ensure the brands they work for will be liked by consumers. Besides, most marketing strategies are designed by the company’s multi-levels: 1) commissioners, 2) directors, and 3) the sales team. Technically speaking, the sales team determines the success or failure of the marketing strategy that has been designed. Therefore, FMCG companies suffering from a leadership gap may happen due to the industrial revolution that occurred without management readiness. If it happens continuously, such problem will negatively affect the company’s performance (Paukku & Välikangas, 2021). Leadership incompetence (myopic leadership)
in a company is characterized by a slow and ineffective decision-making process, wrong target in selecting company priorities, disregarding human resource aspects, ambition for short-term profits, and always bringing the company in an unfavorable situation. 

Early research on digital transformation focused more on the strategic dimensions of technology in the information technology sector, particularly in the 1980-1990 (Ginzberg, 1981). Wolfsinken, Furtmueller, and Wilderom (2013), using grounded theory, find that the definition, scale, scope, and differences between digital transformation and information technology capabilities are still unclear. The term digital transformation is discussed more in the information systems domain (Vial, 2019), followed by in-depth aspects of sales within companies and organizations.

Defining digital transformation means clearly defining the object, scopes, tools, and expected results. Vial (2019) define digital transformation as a process to increase the effectiveness of an organization by triggering significant changes through a combination of information management processes, computing technology, communication, and connectivity.

Several studies related to the application of digital transformation have been carried out, namely: 1) sales organizations with artificial intelligence (Luo et al., 2019), 2) the implementation of artificial intelligence technology in business-to-business (Paschen, Pitt, & Kietzmann, 2020), 3) the use of social media in sales organizations (Agnihotri, 2020; Bill, Feurer, & Klarmann, 2020), 4) implementation of digital seller-customer interaction processes (Bharadwaj & Shipley, 2020), 5) implementation of influence tactics from the sales team in the business to business e-negotiation process (Singh, Marinova, & Singh, 2020), and 6) digital transformation capable of changing the buying and selling process in the supply chain through structured and comprehensive automation (Mahlamäki et al., 2020).

The complexity and uncertainty in business and organizational practices have increased the need for scenario development to answer unknown factors and trends that will occur (Globocnik, Faullant, & Parastuty, 2020). The scenario is a picture of the future constructed based on the drivers and trends that shape the future. Past knowledge is believed to be relevant to future knowledge since it will always be related to the present and the future. Scenario planning is a tool for determining one’s perception of alternative environments in the future, including organizational capabilities to understand the business environment, thoughts about what is happening in the environment, and the ability to act on the new knowledge.

Generally, digital transformation in companies moves slowly from using technology to creating values within the company. In more advanced terms, digital transformation can increase a company’s awareness of market intelligence, such as capturing comprehensive market data (Bongers, 2020). Digital transformation is an essential topic for top management and the president director. Therefore, the topic in sales management is no longer seen as a project but has been ingrained continuously in every activity so that the company can survive in healthy competition (Wengler et al., 2021).

Formulating a development strategy to improve the performance of a sales organization in digital transformation requires a business scenario approach called scenario planning. According to Dean (2019), scenario planning is an effective tool for carrying out medium and long-term strategic planning for situations with many uncertain factors. Furthermore, Borges et al. (2021) state that scenario planning is a strategic tool used to develop various opportunities for the future.

The scenario planning approach will help provide a good understanding of the uncertainties in the business environment, specifically within the sales organization of FMCG companies in carrying out digital transformation. The scenario planning method considers several variables, such as leadership models, organizational citizenship behavior, and sales management control. Scenario planning will also answer what will happen in sales organization when these variables interact during the digital transformation. Furthermore, how these activities influence the sales organization’s performance will also be comprehended, which will ultimately help the company win the market competition.

II. METHODS

The research uses mixed methods, specifically the sequential explanatory that consists of quantitative and qualitative phases. Quantitative data are collected by looking at the relationships between research variables through questionnaires using a Likert scale. First, literature studies related to grand theory, middle theory, and applied theory are carried out on change management, leadership, organizational citizenship behavior, sales management control, and organizational performance. A descriptive analysis is carried out to identify problems and a general description of the business model of a sales organization in Indonesia’s FMCG companies. In the second stage, the influence and relationship of leadership models, digital transformation, organizational citizenship behavior, and sales management in improving organizational performance are examined using Structural Equation Model (SEM) analysis. SEM analysis is used to test the hypotheses developed in the research. It can be seen which elements have a real relationship and influence on the organizational performance of FMCG companies in Indonesia.

In the third stage (qualitative phase), the research developed strategic priorities for sales organization development in digital transformation to improve performance by paying attention to research variables such as leadership models, organizational citizenship behavior, and sales management. Qualitative data is collected by conducting discussions and interviews (in-depth interviews) using purposive sampling with...
several experts in FMCG organizations, FMCG organizational leaders (CEOs), leadership experts, organizational behavior experts, and organizational performance experts. Questions are configured using the results in the quantitative phase. In the final stage, scenario planning is carried out, where the researcher creates several credible but uncertain future possibilities from a digital transformation approach in the sales organization of FMCG companies in Indonesia and analyzes them using the thematic approach.

The scenario planning concept is first introduced by business practitioners through research by the RAND Corporation to look for weapons technology using a future-now approach (Kahn & Wiener, 1967). The approach offers a combination of data analysis and projection/imagination of the future. Kahn and Wiener (1967) adopt the name scenario for the concept and begin to focus on research about the future and things that many people had never considered. Wack (1985) furtherly develops a more comprehensive understanding by arguing that scenario detailing could be done by skipping some main dimensions when building a scenario. The method is later refined by Schwartz and Baer (1991) by offering a conceptual review of scenario planning in which they propose eight stages of model development: 1) identifying the focal issue, 2) identifying the main influencing factors, 3) identifying driving forces that have influences, 4) sorting based on the level of importance and uncertainty, 5) performing scenario selection, 6) perfecting scenarios, 7) considering the implications of scenarios, and 8) selecting indicators/markers from a scenario (Spaniol & Rowland, 2019).

Apart from focusing on predicting the future accurately, scenario planning also assists analysis in making holistic strategic decisions. The method changes the number of uncertain possibilities by creating future possibilities to be tested (O’Brien, 2004). Scenario planning has been considered a valuable technique business leaders use to broaden thinking around decisions involving some complex choices regarding the future. The method is also beneficial in identifying more enormous leaps of change, both potential risks and unseen opportunities beyond routine observation. Since scenario planning is designed to capture substantial external uncertainties for strategic decision-making, the decision-maker’s preferences are assumed to be relatively the same regardless of the observation period (Zou, Scholer, & Higgins, 2020). According to Schwartz and Baer (1991), the first step of scenario planning can be done by identifying focal issues as key factors influencing the success or failure of decisions by considering relevant issues. Secondly, the researcher must identify and qualify internal and external driving forces. Thirdly, it is essential for the researcher to create and develop scenario planning logic. Before the final step, the researcher must create indicators or objective measures based on the final results obtained from scenario planning. Finally, sorting out the implications of scenarios and evaluating the strategies’ effectiveness is imperative.

Business scenario planning begins with identifying the key factors influencing the success or failure of decision-making in FMCG sales organizations that carried out digital transformation processes. The second stage is to identify and qualify driving forces, both internal and external factors, in the sales organization. Generally, the driving forces are grouped into external and internal (Johnston & Marshall, 2020). Internal strength is every aspect that is inherent in the organization, such as resources, competencies, capabilities, organizational structure, and business processes. In comparison, external forces include factors outside the organization’s scope, which are almost challenging to control, such as social dynamics, economic changes, technological developments, infrastructure availability, business competition dynamics, and market/consumer demands.

The next step is to create and develop scenario planning logic consisting of two to four scenarios. Scenario logic is created by crossing the two driving forces selected in the previous stage to produce a four-quadrant matrix determining which scenarios can be considered. The following step is to identify indicators that measure the goals or results to be obtained. After the scenario is developed, the indicators will describe the implications of the scenario. Finally, strategy development is conducted by testing the strategy’s effectiveness and considering future condition improvements. The research determines the effectiveness of a digital transformation in FMCG sales organizations in Indonesia. Whether the digital transformation will improve the sales organization’s performance will also be comprehended. In the end, the resulting business scenario will be re-validated by an expert panel/representatives of stakeholders in the FMCG industry in Indonesia, especially in sales organizations. The scenario planning process will create several credible but uncertain future possibilities from a digital transformation process in the sales organization of FMCG companies in Indonesia.

The expert panel in the research is the business leader of FMCG companies in Indonesia at the C-level or Director. In addition, the research also involves several academics who are expert practitioners and well-versed in leadership and organizational behavior topics. Table 1 consists of respondents as expert boards in the focus group discussion (FGD).

Table 1 Respondents Involved in the Focus Group Discussion

<table>
<thead>
<tr>
<th>No</th>
<th>Name</th>
<th>Occupation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Haruman Rustandi</td>
<td>Country GM of Mayora, the Philippines</td>
</tr>
<tr>
<td>2</td>
<td>Agus Nurudin</td>
<td>C-Level of Paragon Group</td>
</tr>
<tr>
<td>3</td>
<td>Iwan Himawansah</td>
<td>Sales Director of Beiersdorf Indonesia</td>
</tr>
</tbody>
</table>
III. RESULTS AND DISCUSSIONS

Today’s model of Indonesia’s FMCG digital transformation is predominantly associated with technological characteristics in business and sales domains. From such perspective, the contribution of data to the success of digital transformation is deemed necessary. Although some studies concerning the success of digital transformation are excessively focused on preferring technology as the main requirement, the arrhythmic application of complex technology with the business being carried out will result in false success and chaos. Tsou and Chen (2023) state that digital technology served as a “mediator” rather than a determinant of the definitive parameter in successful digital transformation. Furthermore, digital transformation is seen more as added value for organizations and customers as it involves using capabilities and technology to enhance various aspects of organizations.

Based on a comprehensive literature review, a digital transformation model that focuses on improving the performance of sales and market organizations will be able to capture opportunities intuitively and precisely. Data analysis using the SEM method confirmed that the success of digital transformation is influenced by the leadership model, organizational citizenship behavior, and sales management control, which ultimately affects the performance of a sales organization (Figure 1).

Wang et al. (2020) find a positive relationship between digital transformation and short-term and long-term financial performance. Furthermore, digital transformation is suitable for redesigning business models and adjusting organizational work processes through an iterative process by developing sustainable digital transformation. Therefore, managers must be able to determine the right tactics in conflict management by building a corporate culture that supports innovation, freedom of opinion, constructive feedback, and in-depth discussions. All of these efforts are expected to deepen the linkages between company members so that it is easier to reach a common consensus, especially in order to achieve a successful transformation process (Wang et al., 2020).

Digital transformation is a long-term process that requires much time as it will affect transformations in business processes, behavior, and culture where everything is based on organizational members (people). This model defines that the key drivers of digital transformation are fundamental people who have an essential role in making decisions and implementing the transformation process, which are: 1) the president director, 2) sales director, 3) IT or digital director, 4) supply chain director, 5) sales manager, and 6) sales supervisor.

From a literature study and interviews with respondents, some objectives of the digital transformation process in sales organizations in FMCG companies are found, namely: 1) increasing effectiveness or efficiency in the company’s business processes, 2) assisting the sales organization to achieve sales targets/sales growth set by the company, and 3) assisting the sales organization to increase customer or business partner satisfaction with the
company’s services or business processes. The three goals of the sales digital transformation will be achieved with several strategies: 1) customer-oriented or business partner-oriented digitalization, 2) updated and availability of digital technology applications, 3) level of leadership, capability, and capacity of human resources, 4) synergy and collaboration with company’s internal or external partners, and 5) optimal company budget allocation.

As a process of gradual and evolutionary change in existing and future business processes, digital transformation sales organizations must be appropriately patrolled to keep up with changes in the overall business model. Different organizational situations must be resolved with digital transformation because the evolutionary strategy will employ digital capabilities to create new business models. At the same time, evaluating business processes at the operational level and improving customer experience to create added value for the company will also be formed (Tsou & Chen, 2023).

The digital transformation strategy for sales organizations in FMCG companies is a good reference for developing business scenarios by considering uncertain factors that will occur in the future using the scenario planning approach. The method is selected since it could help carry out strategic planning for the development of digital transformation through visualization and projection of the future FMCG sales organizations’ situation. Several elements of the future situation can be defined as factors influencing the digital transformation process, namely: 1) availability of digital technology, 2) digital capabilities of transformation actors, and 3) customer expectations of the products or services provided by the company. According to Ritter & Pedersen (2020), digital transformation is the process of employing new digital technology that allows companies to focus more on data-enabled growth, increasing company operational effectiveness, and deepening market orientation covering customer experience improvement, business process simplification, and strategy to create new business models.

Many companies have invested profoundly in digital transformation, particularly in sales organizations. However, most of them experienced difficulties in carrying out such activities. It is found that 75% of sales executives who declared their current sales tools are an integral part of the sales process, only 15% expressed their sales tools as genuinely effective (“Accenture survey finds evolving”, 2016). Likewise, the Sales Management Association found that only 42% of companies have a data-driven decision-making culture. Besides, they only analyzed 12% of the data collected, and 68% said they were under-invested in reporting technology and sales analytics.

Furthermore, the Sales Management Association found that two-thirds of companies do not have a social media strategy for their sales team. Thus, it can be argued that the selling strategy using social media as one of the most influential and practical branches of digital sales appears to be underutilized. The low adoption of digital transformation is unsurprising, given that most companies are only offered limited conceptual guidance. Guenzi and Habel (2020) examine specific aspects of digital transformation and find that a lack of guidance causes many companies to experiment. This problem causes the digitization of sales in their company to resemble a random operation.

The driving force in the sales organization’s digital transformation consists of known and unknown internal or external factors shaping the system’s dynamics. Besides, scenario planning aims to identify alternative ways so that the built model or system can develop properly in the future. Therefore, alternatives as solutions that appear must be reasonable and relevant to the purpose of building the model (George, Walker, & Monster, 2019). In the research, the driving force is determined based on the experts’ response by estimating the factors that significantly influence the creation of a harmonious industrial scheme in Indonesia.

The first external force is the availability of digital technology. The digital transformation strategy that arises in sales organizations at FMCG companies in Indonesia puts support from the availability of technology as a requirement. The availability of technology allows the transformation procedure to be carried out effectively and efficiently with several activities, such as: 1) implementation of face recognition and artificial intelligence technology in retail audit applications, 2) big data technology in an integrated sales forecasting model, 3) geotagging technology for determining salesman visit routes and delivery fleets from factories to distributors and retail stores, and 4) other activities that move dynamically from time to time following the transformation.

Work that upholds precision can optimize business and increase competitiveness. These features are sure to have an impact on the company’s profitability and sustainability. The justification is supported by Kalogiannidis and Mavrantzas (2020), who state that digital technology enabled their products to expand their quality to global customers.

Kraus et al. (2022) show how factories have successfully responded to digital challenges by making significant changes to manufacturing processes, distribution channels, and business models. Technology adoption and market competition are both racing. One company may adopt one technology and win the market for a certain period. On the other hand, other companies may develop their technology besides just adopting one technology. In this case, companies that optimize technological developments for the quality of their products and services can outperform companies that are only satisfied with a handful of technologies.

The second external force is customer or consumer expectations. Digital transformation has revolutionized how companies accomplish business, especially how they build connections with buyers (Scuotto et al., 2020), devise innovation, and deliver
added value to customers (Verhoef & Bijmolt, 2019; Verhoef et al., 2021). Furthermore, the positive contribution of technology in organizations can influence business operations, routines, and organizational capabilities (Li et al., 2021). Practically, customers will always crave to access all the products they need. This activity is carried out due to the basic urge of consumers to find out more thoroughly about what products they need and compare them with other products in terms of quality and price. Therefore, active and effective communication between companies and consumers is a parameter that needs to be optimized through digital transformation.

Regarding how good relationships between companies and customers can benefit a company’s representation, Matarazzo et al. (2021), on customer value creation in Italian small and medium-sized enterprises, find that charming exposure by De Matteis Agroalimentare Company regarding the ownership of a control laboratory used to select the best wheat have been able to increase consumer loyalty. Their studies also find that De Matteis Agroalimentare, which exposed the involvement of farmers and agronomists in the integrated wheat pasta production chain, had received appreciation from international customers. Furthermore, by studying customers’ habits who interact more intimately with gadgets, Santos et al. (2019) find a positive relationship between social media and purchase recommendations, which also determine purchase decisions. Therefore, the commitment shown by De Matteis Agroalimentare that digital transformation will always focus on how companies can meet the expectations of dynamically demanding customers (Ghosh et al., 2022).

For entrepreneurs in the startup stage, digital technology plays a vital role in organically increasing brand exposure to customers. They must focus more on creating product value by increasing customer engagement through digital technology. This justification is supported by Li et al. (2021) as they found that companies focusing on applying digital technology and wanting to increase interactions with existing and potential consumers will be more able to open up opportunities to be well-known by consumers.

Interestingly, experts in sales organizations at FMCG companies in Indonesia state that several initiatives in digital transformation are not based on the expectations of customers or consumers. Most of the digital transformation momentum came from management directions, such as global or regional management, at high hierarchies. However, they also state that these directives would not positively impact organizational performance if there is no connection between what the company does and customers’ needs. Therefore, a company’s success and ability to understand customers are inseparable.

The third external force is the map of business competition. Digital technology is capable of disrupting the markets where companies operate. Therefore, digital technology is vital in facilitating the variety of products and services to generate new digital offerings. Through digital technology, marketing has transformed from a strategy to make a profit into an activity for forecasting the market, designing sales strategies, and mapping current business trends. Such activities enable the marketing team to understand the business competition they are currently involved in to compete fairly and effectively (Tien et al., 2019).

Winning the business competition requires qualified resources at all levels for planning, organizing, and monitoring goals. Yacob, Wong, and Khor (2019) find that consumer demand for environmentally friendly goods and services is due to increasing public awareness about environmentally friendly products. As a result, market players compete to innovate to reduce waste and their environmental impact, and managerial levels improve their professional skills in sustainable and environmentally friendly practices.

Companies that want sustainable excellence with an environmentally friendly production concept must have qualified resources from the leadership level to the organization’s members. Udokporo et al. (2020) on 96 FMCG companies using Structural Equation Modeling find that Lean, Agile, and Green (LAG) practices positively impacted business competitiveness. They emphasize that implementing LAG is a critical element that makes businesses competitive because companies can manage costs, waiting times, waste, and the life cycle of the products they handle. Such trends combined with digital technology enable companies to gain a positive impression due to their involvement in clean, environmentally sound business practices. Therefore, the company’s clean production practices have been considered unique, fair, and difficult for competitors to imitate since such a decision requires much consideration.

The fourth external force is digital talent. Digitalization is one of the most revolutionary developments in business and society in recent decades. It can fundamentally change how organizations operate and create added value. Vial (2019) found that a lack of employees with IT competence in digital transformation increases companies’ need to recruit digital talent. Digital talent is critical for companies wanting to undergo digital transformation because updating human resources is believed to determine the company’s long-term success.

Digital transformation in sales organizations touches business activities, processes, competencies, and models by fully exploiting the changes and opportunities of digital technology (Mattila, Yrjölä, & Hautamäki, 2021). Many companies are trying to hire digital talent in response to the lack of digital competence in the workforce. For example, Volkswagen has projects to increase its digital professional staff from 2,000 employees in 2019 to more than 10,000 by 2025 to achieve its goal of
developing more than 60% of its operating systems. As the demand for digital talent exceeds the supply, the scarcity of digital talent causes many traditional companies to experience difficulties in their digital transformation.

Gilch and Sieweke (2021) find that targeting digital talent to join the company can be done if the company is ready to adapt work processes, company members are willing to develop themselves, and the company supports the organization’s complete digital transformation. As mediators connecting potential candidates, departments, and stakeholders, recruitment teams must realize that companies must adopt digital identity and culture into their work processes first before attracting digital talent (Wessel et al., 2021). Even though it seems too hasty, adapting digital culture in the recruitment process can provide a positive image if executed well, even if it is simple. In addition, companies attracting digital talent must overhaul their recruitment mindset and eliminate outdated systems so that digital talent does not see actions that contrast against organizational goals.

Most respondents in the research mention that digital talent is essential for the success of a digital transformation. They are expected to have IT or digital technical understanding and skills such as database development, networking, software development, and hardware engineering. Furthermore, digital talent is also expected to master commercial business processes within the company’s internal and external forces.

To encourage companies to remain competitive, nearly every major industry is reassessing their recruitment and retaining digital talent. The lack of organizational members with IT-related knowledge in FMCG companies is primarily caused by the difficulty of recruiting and retaining skilled IT professionals. To attract and retain the best talent, companies must strategize around offering attractive salaries and incentives. Otherwise, companies will find it challenging to attract the talent they need, let alone retain them, since skilled members are generally more attracted to organizations highly committed to IT.

The collaborative study by Begley et al. (2020) with McKinsey & Company regarding digital disruption trends in US grocery stores found that the talent gap is a major problem. Companies are recommended to recruit, train, and retain existing talent with attractive strategies, considering that digital talent is essential to company success. Companies are recommended to find new talents within themselves that may be hidden through IT education and training, establish partnerships with related IT educational institutions, and offer competitive compensation packages for organizational members who want to be involved in the IT domains.

The first internal force is budget allocation. Profit organizations like Dynasens, in a study on worker ergonomics, find that IBM’s addition of artificial intelligence technology to Watson increases total healthcare client satisfaction by up to 90%. However, with a limited budget, it is tough for organizations to achieve the benefits of digital technology. Employee absence affects productivity and team performance, which further weakens company finances. Sick employees will delegate tasks and work hours longer to other employees, and the employer must pay for the overtime hours, increasing the total payroll.

The second internal force is the competency trap versus the growth mindset. When an organization or company takes digital transformation seriously, there are many challenges to making change happen. Companies that have been established for a long time and experience long business growth usually face significant challenges when transforming to the digital world. The biggest challenge that haunts them is the worry that digital transformation will dethrone their recent success.

In management studies, this fear is called the competency trap, characterized by the mistaken belief that past success drivers are equivalent to future ones. Generally, traditional companies that lack digital experience are less likely to suffer from competency traps at an early stage. On the other hand, if their mindset to take advantage of new opportunities in digital business is hampered, then better-established competitors are likely to accomplish success first.

The research believes that the competency trap can be eliminated if every organization member has what is known as a growth mindset. Intellectuality makes every individual willing to accept business challenges. The willingness to constantly learn from past achievements and failures is essential for continuous learning. At the same time, individuals willing to seek stakeholder feedback as part of their work can inspire organizational success. Dweck (2006) explain the implicit theory of incremental rebranding attributes and theory entities influenced by a growth mindset and fixed mindset. Therefore, the growth mindset is based on the belief that one’s skills, strengths, and abilities can be perfected through effort and precise determination.

In contrast, individuals with a fixed mindset consider skills, strengths, and abilities as something that cannot be modified. As a result, those people tend to avoid new experiences and choose tasks they believe they can master. Studies on this topic continue to be developed and perfected to design and reckon people’s beliefs about abilities, especially the existence of a spectrum between the fixed and growth mindsets.

The third internal force is organizational structure. Every organization has a structure with duties and roles based on their position. The organizational structure is arranged hierarchically and describes each component of the organization or company. With the establishment of a corporate structure, each individual within the company has their roles and functions to achieve common goals. For that reason, companies are more accessible to operate following the distribution of tasks and responsibilities in running a business. Furthermore, the organizational structure helps the company appropriately place competent individuals based on their fields and expertise. A
successful company has an organized and transparent organizational structure according to its functions. Consequently, the company can run satisfactorily to achieve its collaborative goals. Organizational structures combined with digitalization will benefit from precision and flexibility when allocating resources according to needs. Fundamentally, an organization’s ability to adapt to stable market changes can be the answer to competitive patterns. Therefore, companies must be able to adopt an organization-oriented approach that is flexible and targeted if their business model is to survive.

Balakrishnan and Das (2020) find that digital technology brought organizations to experience the desired restructuring. In addition, the success of adapting an organizational structure to suit its objectives is influenced by the company’s level of maturity in upholding effectiveness in its work processes. Therefore, changing an organizational structure into a robust structure requires a long process. Companies must identify new roles and review all positions, from department heads to organization members (Wiechmann et al., 2022). Digitalization projects usually tend to get priority, and a mature digital transformation in the organizational structure is expected to streamline, simplify, and make work processes more effective in the organizational structure of all departments in the company.

The fourth internal force is organizational culture. Organizational culture is the norms, values, assumptions, beliefs, and habits constructed within an organization or company. The culture is generally agreed upon by all members of the organization as a guideline for each individual’s activities, intended for both internal and external parties. Organizational culture as an adhered belief is usually compiled based on experiences developed according to the organization’s history. The company’s daily experience manifests into material arrangements that shape organizational behavior. The system of beliefs and values developed in an organization will regulate the behavior of its members. Furthermore, it can become a competitive instrument if the organizational culture supports the strategy focusing on competitive advantage.

Graham et al. (2022), together with the Fuqua School of Business and Columbia Business School of 1,348 corporate executives in North America and 18 prominent business leaders, find that 92% of respondents believe that corporate culture greatly influences company value. Impressively, 84% of respondents believed their company needs to develop a more productive organizational culture. Considering that the creation of a productive organizational culture will make organizational performance much more effective, Mi et al. (2019) propose several cultural features that encourage the formation of a robust organizational culture: 1) balanced power, 2) collective sense of ownership, 3) willingness to change, 4) performance-oriented, 5) time efficient-oriented, and 6) a positive work environment.

Although organizational culture is considered necessary in all company performance productivity, many companies specifically believe that organizational culture has more influence on company values such as compliance and risk management than on increasing profits (Graham et al., 2022). Through the process of creating a positive organizational culture, companies are expected to be able to assess and recognize their customers effectively. That way, the company will try to meet customer needs and preferences while increasing company value. Digital transformation, in its influence on aspects of corporate culture, is believed to be able to make companies more mature in innovation. These efforts will help their businesses respond to market conditions and stimulate new ways to increase company value through integrated data processing, optimal inventory management, and structured logistics (Butt, 2020).

Some driving forces determined in the previous stages are used as input in preparing the scenario matrix plots. This plot focuses on situations that may occur in the future based on their significance in influencing the focal issue regarding the development of digital transformation of sales organizations in FMCG companies in Indonesia. The two axes used in the scenario matrix plot are the level of uncertainty on the horizontal axis (x-axis) and the level of importance (urgency) on the vertical axis (y-axis). The two axes will be divided into three sections describing the uncertainty level and its importance: 1) low, 2) medium, and 3) high. The results of the scenario matrix mapping cover all driving forces that affect the digital transformation process in the sales organization of Indonesia’s FMCG companies. Based on in-depth interviews with respondents, the scenario matrix is formed as shown in Figure 2.

![Figure 2 Scenario Matrix Plots](image)

The scenario matrix covers all driving forces, with two driving forces identified with the highest level of importance (urgency). Medium to high levels of uncertainty consist of customer or consumer expectations and competency traps related to a growth mindset. To facilitate the analysis process, the driving force was adjusted with the feedback from
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Determined definitively, and tend not to change. At the digital transformation process must answer can be and relatively predictable. The consumer needs that customer or consumer needs are static, stagnant, and unpredictable. The needs of customers or consumers are dynamic, changing, and unpredictable. The needs of customers or consumers must be answered by digital transformation cannot be illustrated definitively. Even if it can be defined, customer or consumer expectations are changeable. At the same time, the growth mindset possessed by sales organization members is at a high level. At this status, each individual has a strong passion for change to support digital transformation because they accept the possibility of implementing new ways in existing business processes.

A pessimistic scenario is a situation where the needs of customers or consumers are dynamic, changing, and unpredictable. The needs of customers or consumers that must be answered by digital transformation cannot be determined definitively and can change quickly. Meanwhile, the growth mindset of sales organization members is at a low level, where each individual does not have the passion for transformation. Such thinking causes the digital transformation process not to be fully supported because they have not been able to properly accept the possibility of implementing new ways in existing business processes.

An optimistic scenario is a digital transformation where customer or consumer needs are static, stagnant, and relatively predictable. The consumer needs that the digital transformation process must answer can be determined definitively, and tend not to change. At the same time, the growth mindset of sales organization members is at a low level, where each individual does not have the passion for transformation. This situation causes digital transformation not to be supported by every individual in the organization because they have not been able to properly accept the possibility of implementing new ways in existing business processes. Organizational members in this phase are still stuck in the past working system, which makes them expect that digital transformation will deliver the same results as they have achieved. However, this situation is nevertheless categorized as optimistic even though the members do not show enthusiasm for change due to their low growth mindset. This condition is not too much of a problem since consumer expectations are relatively easy to determine. Therefore, the digital transformation will still run well with several preconditions that can be designed for its success.

A super-optimistic scenario is a digital transformation situation where customer or consumer needs are static, not too changeable, and relatively predictable. The consumer needs to be answered can be resolved definitively and tend not to change. At the same time, the growth mindset possessed by members is at a high level, where they have a strong passion for change to support digital transformation. In this phase, each individual accepts the possibility of implementing new business processes in their sales organization. Furthermore, members of the organization can escape from the past work system deemed as a competency trap as they believe that finding new ways for the better is possible to improve the sales organization’s performance. This stage determines the implications of each situation described in each scenario. Later, the most appropriate strategy will be specified for each scenario, as presented in Table 2, Table 3, Table 4, and Table 5.

This stage contains strategies for developing digital transformation in sales organizations at Indonesia’s FMCG companies with a focus on long-term implementation obtained through several series of studies: 1) descriptive analysis providing an overview of the digital transformation that was currently taking place; 2) analysis using Structural Equation Modeling, multivariate analysis, and a combination of factor analysis and path analysis, which has produced relationship pattern between variables and their indicators; and 3) Fuzzy AHP (Analytical Hierarchy Process) determining the priority strategies that should be taken by companies implementing digital transformation to increase the effectiveness or efficiency, sales targets, sales growth, high profitability, and customer or business partner satisfaction with services or business process. Scenario planning, as a final series, consists of business scenarios to anticipate a sales organization’s digital transformation strategy by considering uncertain factors that might occur in the future.

Based on a series of research and expert input, the research offers a model that can become a reference for Indonesia’s FMCG companies in developing a digital transformation strategy.
Table 2 Implications and Strategies for Realistic Scenarios

<table>
<thead>
<tr>
<th>Implications</th>
<th>Strategies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iterative Improvement</td>
<td>• Uncertainty over customer or consumer expectations for digital transformation services or processes.</td>
</tr>
<tr>
<td>• All expectations of customers or consumers are judged essential to be carried out immediately, causing confusion in selecting priorities.</td>
<td></td>
</tr>
<tr>
<td>• Organizational members have a strong spirit for change.</td>
<td></td>
</tr>
<tr>
<td>• Organizational members are open to new ways of working that have never existed before.</td>
<td></td>
</tr>
<tr>
<td>Realistic Scenario First Quadrant</td>
<td>• Feedback from customers or consumers and any required data or information are used as a reference in the digital transformation process.</td>
</tr>
<tr>
<td>The digital transformation process in a sales organization where customer or consumer expectations are dynamic. At the same time, organizational members have a high growth mindset.</td>
<td>• Experiments and digital transformation initiatives are carried out to ensure effectiveness or efficiency before executing implementation on a massive scale. This experiment is an organizational success because it is expected that constant, continuous, and right-on-target iteration of the experiment can answer uncertainties.</td>
</tr>
<tr>
<td></td>
<td>• Scalability is done to make the initiative successful at the practical level up to the full-scale implementation. These initiatives are implemented throughout the company as well as to be brought to external companies.</td>
</tr>
</tbody>
</table>

Table 3 Implications and Strategy of the Pessimistic Scenario

<table>
<thead>
<tr>
<th>Implications</th>
<th>Strategies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competition Trap</td>
<td>• Uncertainty over customer/consumer expectations for digital transformation services/processes.</td>
</tr>
<tr>
<td>• All expectations of customers/consumers are considered essential to be carried out immediately, causing confusion in selecting priorities.</td>
<td></td>
</tr>
<tr>
<td>• Organizational members are still stuck in old ways of working that are far from the passion for change.</td>
<td></td>
</tr>
<tr>
<td>• Members of the organization are still preoccupied with its past success, making them reluctant to face change.</td>
<td></td>
</tr>
<tr>
<td>• Competitor companies move faster and more innovative in responding to customer/consumer needs.</td>
<td></td>
</tr>
<tr>
<td>Pessimistic Scenario Second Quadrant</td>
<td>• Market research must be done immediately to identify the customer or consumer needs and priorities.</td>
</tr>
<tr>
<td>The digital transformation process in a sales organization where customer/consumer expectations are dynamic. Besides, the organizational members do not have a high growth mindset.</td>
<td>• Carry out benchmarking with competing companies and across industries to determine the direction of digital transformation, including what exists and what must be done by the company immediately.</td>
</tr>
<tr>
<td></td>
<td>• Workshops must be held immediately within the organization as a follow-up to market research results and benchmarking with competing companies. Knowledge transfer must be carried out until it reaches the process of forming a project team to carry out the entire digital transformation process.</td>
</tr>
</tbody>
</table>

Table 4 Implications and Strategies for Optimistic Scenarios

<table>
<thead>
<tr>
<th>Implications</th>
<th>Strategies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competition Trap</td>
<td>• Customer/consumer expectations are static, not too dynamic, and relatively predictable.</td>
</tr>
<tr>
<td>• Competing companies can steal customer expectations because digital transformation is hesitant to be done immediately.</td>
<td></td>
</tr>
<tr>
<td>• Members of the organization have a low growth mindset where each individual is not enthusiastic about change.</td>
<td></td>
</tr>
<tr>
<td>• Members of the organization are stuck in a past working system where they still believe that digital transformation will give the same results as past achievements.</td>
<td></td>
</tr>
<tr>
<td>Optimistic Scenario Third Quadrant</td>
<td>• Approach from top management to all lower levels (top-down) by ensuring all organization members move from their comfort zone.</td>
</tr>
</tbody>
</table>
| | • Collaboration is needed across departments (cross-function) within the company to respond to top management directions immediately. Thus, each department will work together on the digital transformation.
Scenario Planning of Digital ... (Adhitya Rendra Kusuma, et al.)

The strategy is prepared by considering several scenarios that might occur in the future, which include situations with the highest level of importance and uncertainty. Therefore, Indonesia’s FMCG business players can use the FMCG Digital Transformation Compass to guide companies in implementing digital transformation strategies to increase their success. The success of the digital transformation is represented by the achievement of sales targets, positive sales growth, and high profitability, as shown in Figure 4.

The model finds the leadership model to be a critical success factor in a digital transformation process, and SEM and Fuzzy AHP analysts support this finding. Using two axes as its construction, this model views customer or consumer expectations and the growth mindset attitude of organizational members as the two factors with the highest level of importance and uncertainty to generate scenarios. In every possible scenario, it is hoped that the FMCG Digital Transformation Compass will be able to provide references regarding the implications and strategies the company must take for each situation. Of the four scenarios, the realistic scenario is the most likely scenario to occur (Iterative Improvement scenario), where companies (especially sales organizations) are recommended to have iterative experimental energy by conducting small to extensive experiments consistently and continuously until they find new ways of working. Companies need a strategy that contains these digital initiatives to respond to dynamic customer or consumer needs. Consequently, digital transformation can positively impact the performance of sales organizations in FMCG companies in Indonesia.

Table 4 Implications and Strategies for Optimistic Scenarios (Continued)

<table>
<thead>
<tr>
<th>Implications</th>
<th>Strategies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Excellent Execution</td>
<td>Form and implement priority projects with several digital transformation</td>
</tr>
<tr>
<td>• Customer or consumer expectations are not changing fast and are relatively</td>
<td>initiatives immediately on the company’s full scale. The project was carried</td>
</tr>
<tr>
<td>predictable.</td>
<td>out to catch up with competing companies because efficient and effective</td>
</tr>
<tr>
<td>• The company can define priorities according to its digital transformation</td>
<td>digital initiatives can positively impact the company’s performance.</td>
</tr>
<tr>
<td>initiatives.</td>
<td></td>
</tr>
<tr>
<td>• Organizational members have a strong spirit for change.</td>
<td></td>
</tr>
<tr>
<td>• Organizational members are open to new ways of working that have never</td>
<td></td>
</tr>
<tr>
<td>existed before.</td>
<td></td>
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</tbody>
</table>

Table 5 Implications and Strategies of the Super Optimistic Scenario

<table>
<thead>
<tr>
<th>Implications</th>
<th>Strategies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Super Optimistic Scenario</td>
<td>Standardization as a procedure of regularizing existing business processes is</td>
</tr>
<tr>
<td>Fourth Quadrant</td>
<td>expected to be carried out consistently to ensure digital knowledge, skills,</td>
</tr>
<tr>
<td></td>
<td>and capabilities can be fastened to organizations and individuals.</td>
</tr>
<tr>
<td>The digital transformation process in a sales organization where</td>
<td>• Compliance inspection processes must be carried out to ensure that business</td>
</tr>
<tr>
<td>customer/consumer expectations are static. On the other hand, members within</td>
<td>processes that have become standard follow what has been stipulated.</td>
</tr>
<tr>
<td>the organization have a high growth mindset and are eager to try new ways</td>
<td>Compliance must be executed correctly and consistently.</td>
</tr>
<tr>
<td>for change.</td>
<td></td>
</tr>
<tr>
<td>• Customer or consumer expectations are not changing fast and are relatively</td>
<td>• The reporting process follows standard agreements with good compliance and</td>
</tr>
<tr>
<td>predictable.</td>
<td>can be updated from top management to all organizational levels.</td>
</tr>
<tr>
<td>• The company can define priorities according to its digital transformation</td>
<td>Reporting must build awareness throughout the organization regarding the</td>
</tr>
<tr>
<td>initiatives.</td>
<td>ongoing digital transformation process.</td>
</tr>
<tr>
<td>• Organizational members have a strong spirit for change.</td>
<td></td>
</tr>
<tr>
<td>• Organizational members are open to new ways of working that have never</td>
<td></td>
</tr>
<tr>
<td>existed before.</td>
<td></td>
</tr>
</tbody>
</table>

The digital transformation process in a sales organization where customer or consumer expectations are static. At the same time, organizational members still do not have a high-growth mindset.

Figure 4 Digital Transformation Compass for Indonesia’s FMCG Companies
IV. CONCLUSIONS

The scenario planning in the research find two focal issues determining the success of digital transformation which are external and internal forces. External forces consist of digital technology availability, customer or consumer expectations, business competition maps, and digital talents. At the same time, internal forces cover budget allocation, competency trap versus growth mindset, organizational structure, and organizational culture. Furthermore, after forming four scenario matrix plots (realistic, pessimistic, optimistic, and super-optimistic), the research find that a realistic scenario (iterative improvement) is primarily predicted to occur for companies carrying out digital transformation. Therefore, Indonesia’s FMCG sales organization can practice iterative experimental energy by conducting small to extensive experiments consistently and continuously until they find new ways of working. Such a scenario requires sales organizations to have a growth mindset to deal with the uncertainty of customer or consumer expectations properly.

The development strategy appearing as an FMCG digital transformation compass by the present study is expected to provide direction for FMCG companies in Indonesia in executing and overseeing the digital transformation for all scenarios that are potentially emerging. Considering that the variables involved in the research focused more on leadership models, organizational citizenship behavior, and sales management control, the digital transformation phenomenon discussed in FMCG companies appears to be limited to sales organizations. Therefore, future research in digital transformation has the potential to be expanded in some other domains, such as marketing management, manufacturing, production floor, supply chain, finance, accounting, and human resources management, both at the divisional scale and the company as a whole.

**Author Contribution:** Writing—original draft, A. R. K., R. S., A. E, and A. S.; Methods—data collection and processing, A. R. K., R. S., A. E., and A. S.; Analysis, A. R. K., R. S., A. E., and A. S.

**Data Availability Statement:** Data are available from the corresponding author, A. R. K., upon reasonable request.

**REFERENCES**


