

How AI and IoT Are Changing the CFO's Playbook



India's retail industry is expanding at a rapid pace, and with that growth comes new layers of operational complexity. The market is projected to cross INR 190 lakh crore (approx. USD 2.1 trillion) by 2034, fueled by a diverse customer base spread across metros and emerging Tier-II and Tier-III cities¹. Retailers today manage millions of Stock Keeping Units (SKUs), fast scaling omnichannel operations, and some of the largest retail real estate development pipelines in the world.

For Chief Financial Officers (CFOs), this complexity can translate into rising operational costs, stricter compliance demands, and customer expectations that are evolving faster than many traditional systems were designed for. Modern CFOs are not just custodians of financial governance; many have become co-architects of technology-led transformation, overseeing resilience across multi-site retail portfolios by focusing on predictability and cost efficiency.

It is against this backdrop that **HAPS Dhillon, General Manager & Business Unit Head, Carrier Abound**, moderated a focused roundtable at the Retail CFO Summit 2025 on the topic "How AI and IoT Are Changing the CFO's Playbook." The discussion brought together CFOs from some of India's leading retail brands, who shared their challenges, priorities, and future outlook. They discussed how Artificial Intelligence (AI) and the Internet of Things (IoT) can enable greater accuracy, efficiency, and visibility across retail operations.



Three themes emerged consistently across the discussion:

1. Visibility & Transparency Across a Retail Store Network

Overseeing multi-site business performance is challenging without clear visibility. AI and IoT are helping businesses to monitor asset performance in real time, detect anomalies earlier, and bring more transparency to energy consumption, occupant comfort, and operational inefficiencies across stores. This enhanced visibility may enable finance leaders to make data-driven decisions, mitigate risk proactively, and support improved profitability across their retail portfolios.

Gaurav Gupta, CFO-MESA, Smollan captured this sentiment: 'When you operate a multi-site retail business, you simply cannot manage what you cannot see. We need real-time clarity — data accuracy, asset behavior, anomalies, operational deviations — because any gap becomes a cost or customer experience issue. If we close gaps in time and in the most cost-effective way, it gives us an opportunity to get better. IoT has moved from a nice-to-have idea to an operational necessity for running the business with precision and above all to give a 'best-in-class' customer experience.'

To help improve forecasting and budgeting accuracy,

CFOs are leveraging AI and IoT-led platforms designed to support real-time insights into asset performance and maintenance requirements across stores. These platforms may also highlight inefficiencies, which can help identify financial leakages, and thus may help CFOs move from reactive problem-solving to more predictive financial control. This shift aligns with the strategic expectations placed on leaders of multi-site retail businesses.

We need real-time clarity — data accuracy, asset behavior, anomalies, operational deviations — because any gap becomes a cost or customer experience issue.

Gaurav Gupta
CFO-MESA, Smollan



2. Compliance, Control & the Power of Quality Data

As AI and IoT become more commonly deployed in retail operations, CFOs are becoming increasingly focused on data governance². The discussion emphasized that achieving financial goals without accurate, consistent, and auditable data is a challenge. AI and IoT can support many finance leaders' goals of transforming store operations data into inputs for profitability, predictability, and business growth.

Most of the CFOs echoed that any AI and IoT investment must be backed by measurable business logic. Among them, **Vinodh Srinivasan, CFO, Apollo Pharmacies Limited**, stated, 'The success of any AI or IoT initiative begins with a strong foundation of accurate, reliable data. When the information entering the system is trustworthy, the insights generated can be relied upon with confidence. At that point, organizations must act decisively. Excessive questioning or hesitation slows decision-making and can lead to missed opportunities. To fully unlock the potential of these technologies, companies must embrace a cultural shift: trust the data and leverage it without delay.'

The success of any AI or IoT initiative begins with a strong foundation of accurate, reliable data. When the information entering the system is trustworthy, the insights generated can be relied upon with confidence.

Vinodh Srinivasan
CFO, Apollo Pharmacies Limited



This perspective may support a shift in how CFOs evaluate technology projects. Today, return-on-investment (ROI) may no longer be assessed solely through direct and visible efficiencies such as energy savings or reduced maintenance spend. Instead, CFOs in some cases now view AI and IoT-enabled initiatives as instrumental for structural cost transformation – unlocking savings that may be redeployed to strengthen margins, fund store modernization, or accelerate growth priorities.

By integrating AI and IoT outcomes into core financial Key Performance Indicators (KPIs), CFOs may gain a more precise understanding of store-level performance and cost drivers. This helps support a framework for comparing profitability across different store formats and identifying the key operational functions that drive

performance. In essence, when implemented effectively, these technologies can enhance the CFO's ability to manage financial levers proactively.

3. Customer Experience, Operational Efficiency & the Skill Gap

Retail CFOs today are increasingly connected to customer outcomes — because customer experience, operational efficiency, and cost control are closely tied together. Heating, Ventilation and Air Conditioning (HVAC) performance, lighting quality, and in-store comfort can influence time spent in-store, conversions, and ultimately revenue.

As a CFO of a Healthcare Operator expressed: 'Retail has traditionally been labor-intensive, and technology can play a critical role in delivering consistency and measuring performance. It enables better control over productivity, operating costs, and revenue exposure across operations. By reducing inefficiencies such as equipment failures, these solutions help protect revenue while avoiding unnecessary energy costs.'

However, CFOs also highlighted a practical challenge: frontline teams often lack the technical skills to manage sophisticated assets and maintain Standard Operating Procedure (SOP) discipline across many stores. This inconsistency can translate into financial leakage and customer dissatisfaction.

AI and IoT solutions may act as bridges. By automating routine compliance checks, guiding store staff through SOP alerts, and reducing dependence on manual skill sets, AI and IoT help support predictable operational behavior across stores. This not only protects brand consistency but also helps provide CFOs greater confidence that customer outcomes — and the costs that underpin them — remain stable and measurable.

For many finance leaders, AI and IoT are becoming less about technology enablement and more about institutionalizing operational excellence at scale.

The CFO's Role in an AI- and IoT-Driven Future

AI and IoT are no longer just a technology experiment — they are becoming an important solution to how modern retail portfolios may be governed, optimized, and scaled. Many modern CFOs are not just decision makers; they play an important role in driving digital transformation. The ability of CFOs to drive transparency, strengthen data discipline, and manage financial levers can influence how effectively retail organizations navigate the next decade.

As AI and IoT continue to reshape store operations, CFOs may play a more direct role in shaping how value itself is created. The retailers that succeed next may be those where CFOs champion AI and IoT, not as a one-time initiative, but as part of a long-term operating model designed around accountability and predictable performance.

About Retailers Association of India (RAI)

The Retailers Association of India is the national body representing India's retail industry across all channels and formats, from large format and specialty retail to e-commerce, quick commerce, and connected commerce businesses. RAI works with governments, regulators, and industry stakeholders to enable a competitive, innovation-friendly retail ecosystem. Through policy advocacy, industry events, research, and learning programmes, RAI builds the conditions for retail to grow, invest, and create employment at scale. India's retail future is connected. RAI is building for it.

www.rai.net.in

About Carrier Abound

Carrier Abound provides digitally connected lifecycle solutions and services for diverse building portfolios. The solutions and services enable building management to see deeply and broadly across their assets, prioritize and act on real-time insights, and refine, adapt, and scale on a continual basis to improve energy efficiency and asset performance, enhance occupant comfort and productivity, and streamline compliance reporting. Carrier Abound is part of Carrier Global Corporation, global leader in intelligent climate and energy solutions.

For more information, please visit abound.carrier.com and join the conversation on [LinkedIn](#).

Reference Standards:

1. Indian retail market pegged at INR 190 lakh crore by 2034; retailers embracing diversity to gain: BCG-RAI report - The Economic Times
2. <https://www.cfodive.com/news/cfos-keep-eye-ai-data-governance-ahead-2026/804946/>

Disclaimer: The views expressed by participating CFOs are their own and do not necessarily reflect the views, positions, or endorsements of Carrier Abound or its affiliates. AI-generated responses may include inaccuracies. Users should verify important information independently.