GENERAL MANAGEMENT

A Case Study of Dabur India's Digital Transformation: Balancing Data-Driven Intelligence, Organisational Agility and Human Judgement

V. Maruthi

Assistant Professor, Department of Management Studies, Ballari Institute of Technology & Management, Ballari, Karnataka, India

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Abstract

Artificial intelligence (AI) is increasingly influencing how organisations interpret information, anticipate business conditions and make decisions. In fast-moving consumer goods (FMCG), decisions concerning demand, marketing, distribution, procurement and operations require timely information and coordinated responses. This case study examines Dabur India Limited's digital transformation initiatives and their managerial implications, with emphasis on AI-enabled analytics, data integration, business visibility and human oversight. The study adopts a qualitative case-study design based on publicly available secondary sources, including company disclosures, corporate announcements and academic literature. It analyses the strategic context of Dabur's cloud modernisation and announced AI-led enterprise transformation, and considers potential applications across sales, marketing, supply chain, finance and procurement. The discussion identifies opportunities associated with faster access to information, improved coordination and data-informed planning, alongside challenges involving data quality, employee readiness, governance, accountability and overreliance on automated outputs. Because some AI initiatives are announced or planned, the study distinguishes reported developments from intended outcomes and does not claim independently measured performance effects. It argues that AI is best understood as a managerial decision-support capability whose value depends on organisational readiness, critical interpretation and responsible implementation.

Keywords: Artificial intelligence; managerial decision-making; digital transformation; FMCG; data analytics; human judgement; organisational agility

1 Introduction

Business decision-making has become more complex as organisations respond to changing consumer expectations, competitive pressures, digital channels and uncertainty. Managers must interpret information from multiple sources, assess alternatives and coordinate decisions across functions. Traditional approaches based on experience, periodic reports and direct observation remain important, but the scale and speed of contemporary business information increasingly encourage the use of digital analytics and artificial intelligence.

AI systems can support managers by processing information, identifying patterns, generating summaries, assisting forecasts and highlighting issues that merit attention. Their usefulness, however, is not automatic. Outputs depend on data quality, system design, context and the ability of decision-makers to question the assumptions behind recommendations. The management challenge

is not simply to introduce AI, but to incorporate it into decision processes in ways that support organisational objectives and preserve responsibility.

The FMCG sector offers a useful context for examining these issues. Consumer goods businesses must coordinate production, inventory, distribution, sales, marketing and procurement while responding to regional variation and market changes. Information delays or fragmented systems can affect decisions across the value chain. Digital integration and AI-enabled analysis may support responsiveness, but managerial judgement remains necessary when interpreting uncertain or incomplete signals.

Dabur India Limited provides a relevant case because it has publicly documented investments in cloud infrastructure and digital modernisation and has announced further AI-led transformation initiatives. This case examines the management implications of these developments, focusing on the relationship between data-driven intelligence, organisational capability and human decision-making.

2 Statement of the problem

Although AI offers opportunities for faster analysis, forecasting and business visibility, organisations may struggle to translate technological investment into dependable managerial outcomes. Fragmented data, employee capability gaps, opaque recommendations, governance concerns and excessive reliance on automated outputs can constrain effective adoption. The problem addressed in this case is the gap between AI's analytical potential and its responsible integration into managerial decision-making. Dabur India's digital transformation is examined to understand how AI-enabled capabilities may support management while highlighting the organisational conditions needed for effective use.

3 Objectives of the study

1. Examine the role of AI and digital technologies in managerial decision-making.
2. Analyse Dabur India's digital transformation initiatives from a management perspective.
3. Explore potential applications of data analytics and AI in marketing, sales, operations and supply-chain decisions.
4. Identify organisational and managerial challenges associated with AI adoption.
5. Discuss the importance of human judgement, accountability and governance in AI-supported decisions.
6. Derive practical implications for organisations implementing AI-enabled business transformation.

4 Research questions

1. How is digital transformation reshaping managerial decision-making in FMCG organisations?
2. How can AI and analytics support operational and strategic decisions?
3. What organisational challenges may arise during AI adoption?
4. How should managers balance AI-generated insights with experience, context and human judgement?
5. What lessons can other organisations draw from Dabur India's digital transformation?

5 Review of literature

5.1 AI as decision support

AI-enabled systems can extend managers' analytical capacity by processing data and identifying patterns that may be difficult to detect manually. Rather than treating AI as an autonomous replacement for managerial reasoning, a decision-support perspective recognises that technology and people contribute different capabilities. Jarrahi (2018) discusses human–AI symbiosis in organisational decision-making, highlighting complementarity in contexts characterised by uncertainty, complexity and ambiguity.

5.2 Human–AI collaboration and judgement

Human judgement remains relevant where decisions require contextual interpretation, ethical reasoning, stakeholder consideration or accountability. AI outputs may help frame alternatives and provide evidence, but managers need to assess whether the information is suitable for the decision at hand. Recent review work on AI–human collaboration also emphasises the evolving relationship between computational support and human sensemaking (Li & Tian, 2026).

5.3 Generative AI in organisational decision processes

Generative AI may support activities such as summarising information, drafting analysis, retrieving organisational knowledge and exploring decision alternatives. Its role can vary across decision stages —from helping managers notice an issue to supporting implementation and feedback. Schulte and Kanbach (2026) synthesise tasks and roles of generative AI in organisational decision-making and propose a process-oriented view of its involvement.

5.4 AI adoption as organisational transformation

AI adoption is not solely a technical implementation. It requires organisational readiness, employee skills, appropriate governance, process redesign and alignment with strategic goals. Research on AI implementation barriers and digital transformation highlights the need to understand adoption through technology, organisation and environmental conditions, rather than focusing only on the technology itself (Gupta et al., 2026).

Taken together, the literature suggests that AI may improve the information available to managers, but its contribution depends on organisational context and human oversight. This case uses that perspective to examine the managerial significance of Dabur's digital transformation.

6 Research methodology

6.1 Research design

This study uses a qualitative descriptive case-study approach to examine AI-supported managerial decision-making through Dabur India Limited's digital transformation. A single-company case enables focused discussion of strategic initiatives, information systems and managerial implications within a real organisational context.

6.2 Sources of data

The study relies on secondary sources, including Dabur's official corporate announcements and annual-report materials, partner announcements, credible business reporting and peer-reviewed literature on AI and organisational decision-making.

6.3 Analytical approach

Sources are interpreted thematically under five areas: digital strategy and infrastructure; data integration and visibility; AI-enabled decision support; workforce and organisational readiness; and governance, accountability and human judgement. The analysis separates facts reported by the company or partners from analytical interpretation and proposed implications.

6.4 Scope and limitations

The study does not include interviews, surveys or access to Dabur's internal systems. It does not independently measure AI performance or establish causal relationships between digital investments and financial outcomes. Some initiatives discussed are announced or intended programmes; therefore, the manuscript avoids treating future plans as completed implementation or quantified results.

7 Company background: Dabur India Limited

Dabur India Limited is a major Indian FMCG company with a portfolio spanning health and wellness, personal care, home care and food products. Its operations involve consumer markets, distribution networks, manufacturing, procurement, marketing and sales activities. The company's business environment requires coordination across functions and responsiveness to evolving market and consumer conditions.

In October 2023, Dabur announced completion of a major cloud migration, describing itself as the first Indian FMCG cloud-only enterprise. The company stated that the digital core was intended to improve resilience, visibility, efficiency, transparency and agility, and to support access to data insights (Dabur India Limited, 2023). This digital foundation forms an important context for its subsequent AI initiatives.

7.1 Digital capability building

In June 2026, Dabur announced strategic Global Capability Centers, including an IT GCC intended to strengthen its digital backbone and a Digital Marketing GCC focused on marketing technology, AI, data and automation. The announcement described planned capabilities such as audience segmentation, content intelligence, dashboards and performance tracking (Dabur India Limited, 2026a). These initiatives signal that digital capability development is being positioned as a strategic and organisational priority, not only an IT activity.

8 AI-led transformation: the management case

On 4 August 2026, Dabur and Accenture announced a multi-year collaboration to accelerate AI adoption and enterprise transformation. The announcement describes a unified data foundation, integration of structured and unstructured internal and external information, digital dashboards and control towers, advanced analytics and generative AI assistants. Intended applications span finance, procurement, marketing, sales and supply-chain responsiveness (Accenture, 2026).

This initiative is relevant to managerial decision-making because it aims to reduce information fragmentation and make business insights more accessible. A unified data foundation can support managers in working from more consistent information, while dashboards and analytics may improve visibility into performance and emerging issues. Generative AI interfaces may also lower the effort required for business users to retrieve and interpret information.

8.1 Strategic decision support

Strategic decisions involve long-term resource allocation, growth priorities, market positioning and organisational capabilities. AI-enabled analytics may help managers explore market trends, compare performance, identify opportunities and evaluate scenarios. Such outputs should be considered inputs to strategy rather than substitutes for deliberation. Strategic decisions often involve uncertain futures, competing objectives and values that cannot be fully represented in data.

8.2 Operational decision support

In FMCG operations, planning and execution decisions involve demand, inventory, distribution, procurement, manufacturing and sales. AI and analytics may help identify demand patterns, monitor performance and highlight exceptions. Dabur's announced programme specifically identifies supply-chain responsiveness, visibility and optimisation opportunities as intended areas of focus (Accenture, 2026). These applications should be interpreted as planned or targeted capabilities unless company disclosures provide evidence of completed deployment and measured outcomes.

8.3 Marketing and consumer decisions

Marketing decision-making requires understanding consumer segments, brand performance, campaign effectiveness and channel behaviour. Data and AI may support segmentation, content analysis, performance tracking and more timely evaluation of campaigns. Dabur's announced Digital Marketing GCC is intended to build in-house marketing technology capabilities using AI, data and automation (Dabur India Limited, 2026a). The managerial opportunity is to improve insight and co-ordination while ensuring that consumer-facing decisions remain appropriate, transparent and aligned with brand strategy.

9 Human judgement and AI-generated insights

AI may identify a pattern—for example, a decline in sales in a region—but a manager must interpret the pattern and determine the appropriate response. The cause may involve distribution gaps, seasonality, competitor activity, changes in consumer preferences, pricing or a data issue. An AI output may help direct attention, but contextual investigation is still required. Table 1 summarises how responsibilities may be divided between AI-supported capabilities and managers.

Table 1. AI-supported capabilities and corresponding managerial responsibilities.

AI-supported capability	Managerial responsibility
Identifies patterns in data	Interprets patterns in business context
Summarises information	Checks completeness and relevance
Generates forecasts or scenarios	Evaluates uncertainty and assumptions
Suggests alternatives	Selects an action and considers trade-offs

AI-supported capability	Managerial responsibility
Automates routine analysis	Maintains oversight and accountability
Provides rapid information access	Communicates decisions and leads implementation

This division is not absolute: managers may use AI iteratively and may delegate bounded tasks to automated systems. However, organisational accountability and the need for oversight remain especially important when decisions have significant financial, operational, ethical or human consequences.

10 Organisational challenges

10.1 Data quality and integration

AI systems depend on information that is accurate, sufficiently complete, current and relevant. Fragmented data, inconsistent definitions or missing information can weaken the quality of analysis. Integration efforts should therefore include clear data ownership, quality controls and governance.

10.2 Employee readiness and change management

Employees may be uncertain about AI tools, their reliability or their implications for job responsibilities. Training, transparent communication and opportunities for practical learning can support adoption. Dabur's 2025–26 digital capability-building disclosures describe AI awareness workshops, employee learning sessions and bootcamp-style initiatives aimed at strengthening workforce readiness (Dabur India Limited, 2026b).

10.3 Overreliance and automation bias

Managers may accept AI recommendations without adequate scrutiny, particularly when outputs appear precise or are delivered through polished dashboards. Organisations should encourage questioning, independent verification and clear escalation processes for uncertain or consequential decisions.

10.4 Governance, privacy and accountability

AI systems may process commercially sensitive, personal or confidential information. Organisations require clear policies concerning access, data protection, permitted use, security, human review and accountability. Governance should specify who owns a decision, who validates an output and how errors or adverse outcomes are addressed.

10.5 Cost and value realisation

AI transformation requires investment in data infrastructure, systems integration, employee training, governance and ongoing maintenance. Managers must prioritise use cases with clear business relevance and establish measurable indicators before implementation. A pilot should be evaluated for usefulness, adoption, risk and cost before it is scaled.

11 Case discussion and analysis

Dabur's digital transformation illustrates how an organisation can build the foundations for AI-supported management. Cloud modernisation can provide a scalable digital core; data integration can reduce fragmentation; dashboards and analytics can support visibility; and conversational AI may make information easier for employees to access. The managerial significance lies in how these capabilities are embedded into decision routines and operating processes.

Three themes emerge. First, AI adoption is a strategic choice that should be tied to organisational priorities. Second, data integration may improve cross-functional coordination by enabling more consistent information access. Third, implementation requires workforce readiness, process redesign and governance. These themes indicate that AI adoption should be evaluated as a socio-technical change rather than a software installation.

The case does not establish that every planned AI capability has produced measurable performance improvement. Instead, it illustrates the direction of transformation and provides a basis for analysing the management conditions under which AI may contribute to better decisions.

12 Findings

- Digital transformation is increasingly linked to organisational strategy and business agility.
- AI and analytics may expand the speed, breadth and accessibility of information available to managers.
- Integrated data foundations are a prerequisite for dependable analytics and AI-supported decision processes.
- AI adoption requires workforce capability-building, leadership support and change management.
- Human judgement remains essential for contextual interpretation, ethical evaluation and accountability.
- Governance, data quality and outcome measurement should be designed into AI programmes from the beginning.
- Claims about business impact should be supported by measured indicators rather than assumed from technology deployment.

13 Managerial implications and recommendations

13.1 Start with a business problem

Managers should identify a clearly defined problem before selecting an AI solution. Priority should be given to decisions where improved information, speed or consistency can create measurable value.

13.2 Build reliable data foundations

Data quality, standard definitions, secure access and clear ownership should precede scaling AI use cases. Managers should ensure that teams understand the source, limitations and context of the information they use.

13.3 Train employees to interpret AI

AI training should extend beyond tool usage to include critical evaluation, uncertainty, verification, privacy and responsible application. Employees should be encouraged to question outputs rather than accept them automatically.

13.4 Keep human oversight proportionate to risk

Organisations should establish decision boundaries. Routine, low-risk tasks may be automated under defined controls, while high-impact decisions should require appropriate human review and accountability.

13.5 Measure outcomes

AI initiatives should be evaluated using indicators relevant to the use case, such as decision turnaround time, forecast accuracy, error rates, service levels, employee adoption, customer experience or cost. Baselines and review periods should be defined before implementation.

13.6 Encourage cross-functional implementation

AI projects should involve business owners, technology teams, data specialists and relevant employees. This helps ensure that solutions fit real workflows and that responsibility for outcomes is clear.

14 A practical framework for responsible AI-supported decisions

The framework in Table 2 sets out six stages for responsible AI-supported decision-making.

Table 2. A practical framework for responsible AI-supported decisions.

Stage	Managerial practice
1. Define the decision	Specify the business question, decision owner, intended outcome and constraints.
2. Validate information	Review data quality, relevance, timeliness, privacy and known limitations.
3. Use AI for analysis	Use AI to summarise, detect patterns, compare options or develop scenarios.
4. Apply human judgement	Interpret outputs, challenge assumptions, consider stakeholders and assess risk.
5. Decide and implement	Document the decision, responsibility, rationale and actions.
6. Review and learn	Compare outcomes with objectives, monitor unintended effects and improve the process.

The framework positions AI as a component of a decision cycle, with responsibility and learning continuing after the decision is made.

15 Conclusion

Artificial intelligence is changing the information environment in which managers operate. It can support faster analysis, improve access to insights and help organisations monitor business conditions. Dabur India's digital transformation provides an example of a company building digital

foundations and announcing AI-led capabilities intended to strengthen decision-making, business visibility and agility.

The case also reinforces that technological capability alone does not ensure effective managerial outcomes. Data reliability, organisational readiness, governance, employee skills and human judgement remain central. AI outputs may inform decisions, but managers must assess context, consider consequences and remain accountable for actions.

The study concludes that AI should be understood as a decision-support capability that can augment managerial effectiveness when integrated with clear business objectives and responsible oversight. Organisations that combine analytical intelligence with human judgement, cross-functional collaboration and continuous learning are better positioned to make AI adoption meaningful and sustainable.

16 Limitations and future research

This study relies on publicly available secondary sources and does not include interviews, employee surveys or direct observation of Dabur's internal systems. It does not independently measure the performance of AI tools or establish a causal relationship between AI adoption and business outcomes. Some initiatives described by the company and its partners are announced or planned programmes; therefore, the analysis distinguishes stated intentions from completed and measured results.

Future research could use interviews with managers and employees to examine AI adoption experiences, compare AI implementation across FMCG firms, or investigate the relationship between AI use and specific performance indicators. Longitudinal studies could assess how AI-supported decision processes evolve as organisational capability matures.

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