IMPROVING FRONTLINER MERCHANDISER CAPABILITY THROUGH STANDARDIZED ONBOARDING: A CASE STUDY IN THE FMCG INDUSTRY

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Abstract

For sustainable business growth in the FMCG industry, consistently achieving KPI targets for frontliner merchandiser and salesman is a must because they are fully supported by marketing and the company to do that. Data shows that 54 merchandisers in eight areas of Jakarta only achieved 80.4% of their on-time Visibility KPI target in the third week of August 2025, which should have been achieved in every second week. The purpose of this study is to identify the causes of this gap, design a scalable and sustainable onboarding framework that can be applied across all regions and third-party agencies. The study used Focus Group Discussions, interviews, and fishbone analysis to understand what happens in actual field operations. After gathering feedback, validating the root causes of key issues, and training trends, especially for new employees entering the field without clear guidance, this study aims to find solutions and model recommendations. Based on these insights, the recommendation is to build a standardized onboarding framework and training materials through ADKAR approach that provide the same basic skills for every frontliner merchandiser. A structured and sustainable onboarding process is expected to improve capabilities, increase KPI-productivity achievement, and support long-term operational consistency.

Keywords: FMCG, frontliner merchandiser, onboarding training, ADKAR, third-party agency.

INTRODUCTION

In Indonesia's FMCG market, the General Trade Channel still holds the largest market share compared to Modern Trade and Alternative Trade channels. Small shops such as stalls, kiosks, residential stores, wholesalers, and local supermarkets/ minimarkets still dominate, accounting for nearly 70% of total sales due to their proximity to residential areas and affordability, especially for daily needs (Statista, 2025). The market share of each channel can be seen in Figure I.1. These shops rely heavily on personal relationships and trust with customers and shopkeepers, sometimes even using informal credit, and also distribution part within salesman distributors using credit "Tempo" around 7 until 14 days after invoice to acquire more products, especially as conditions after Covid-19 have not fully recovered in some areas, such as traditional markets. At the same time, they still face many fundamental challenges, such as uneven and poorly executed promotions, scattered and inconsistent distribution mixes, and manual inventory practices that vary significantly from store to store, which can be extremely time-consuming (reducing frontline worker productivity). (Statista, 2025; Mojro, 2023).
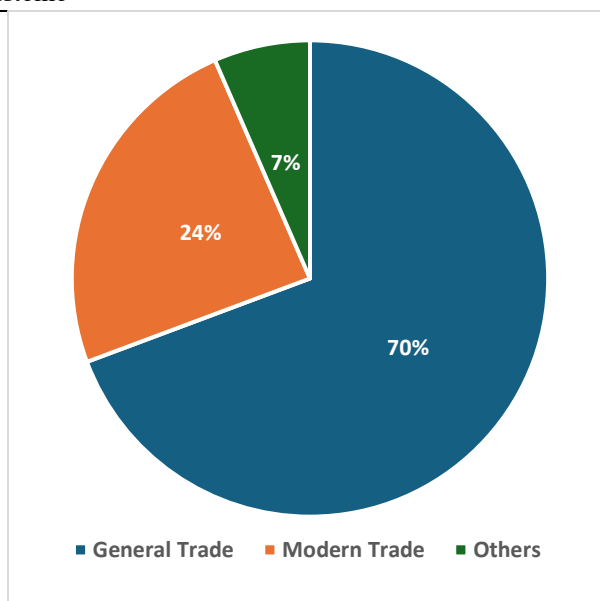
Figure 1. Sales Market Share (Source: Statista Research Department, 2025)

Modern Trade operates in a very different way. This channel includes more structured retailers, supermarkets, minimarkets key accounts, hypermarkets, and convenience store chains such as Alfamart, Indomaret, Familymart, Super Indo, etc. Their operations are typically well-coordinated, supported by centralized logistics, standardized warehousing and distribution, automated inventory systems such as ERP or DMS, and uniform promotional programs across all outlets, to offer more stable supply processes and a smoother shopping experience that feels uniform across all outlets, transitioning from manual to automated and standardized processes. (Mojro, 2023; Consultancy Asia, 2021). In the FMCG industry, the company growth relays on the number of outlets distribution and transaction volume. The Fast-Moving Consumer Goods (FMCG) industry also depends heavily on the effectiveness of frontliners (Merchandiser) to implement sales strategies and promotional activities across General Trade (GT) and Modern Trade (MT) channels. Many FMCG companies employ third-party frontliners such as merchandisers, motorist salesmen, and promoters to extend market reach and improve product penetration. However, disparities in competencies, skills, and strategic alignment among third-party frontliners often hinder operational effectiveness.

Several issues have been identified in relation to frontliners in the FMCG industry, particularly concerning operational effectiveness. Skilled frontliners contribute to business goals by improving market penetration, promotional execution, and revenue growth. Performance Standardization, a structured development approach ensures all frontliners (internal and third-party) work under the same competency standards. The KPI has been defined by the company for third parties which are aligned with the company goals in each quarter, and internal employees also pursue the same targets. Customer Satisfaction & Brand Visibility, Better execution improves customer experience and product attractiveness in the market. The efforts of the FMCG Company and frontliner teams are reflected in product availability, POSM visibility (Point of Sales Material, such as Shopblind, Poster, Hanger Product, Chiller Sticker, etc), and enhanced brand awareness at outlets. (Heller, 2006), Studies in consumer-packaged goods (CPG) show that outsourcing sales and merchandising operations to third-party firms significantly offsets overhead costs and boosts efficiency. Some industry reports mention that companies like PT Good Food can cut quite a bit of costs by around thirty percent, when they hand over sales and marketing execution to outside agencies. In its implementation, FMCG companies focus more on the larger strategy of product development by marketing and operational execution by the field team. Meanwhile, the agency focuses on supporting field merchandising work (accelerating and refining product distribution), and all the difficulties related to human resource management are handled internally by the agency. Another advantage is that the company does not need to deal with staffing, development, retirement, or downsizing. In the FMCG Industry, outsourcing such work sales visits, sales, product merchandising, activation, and so on, has essentially become a common strategy. The logic is simple: what were once fixed costs, such as recruitment, training, payroll, and HR routines, suddenly become variable because they

depend on output and market needs. This allows for flexibility in budget and workforce when urgent strategic changes occur at any time. Matt Lloyd (2024) even stated that approximately 70% of the world's top FMCG players outsource in-store activation roles because they are usually cheaper and more flexible than running everything in-house. By outsourcing, companies can grow faster and be more profitable, leverage the agency's local knowledge and experience, and avoid the hassle of managing day-to-day logistics. PT Good Food also follows this model by collaborating with PT Arina Multikarya to deploy merchandisers in the field. On paper, this system should run smoothly, but during day-to-day implementation, some gaps still emerge that do not align with expectations. Not all agency issues are easily resolved, and not every strategy is implemented well. There are elements of communication and alignment in the process of achieving company KPI targets. This challenge arises not only in one area, but across several, particularly in Eastern Indonesia. However, to focus on this case, the author chose the Jakarta area, which has the same case.
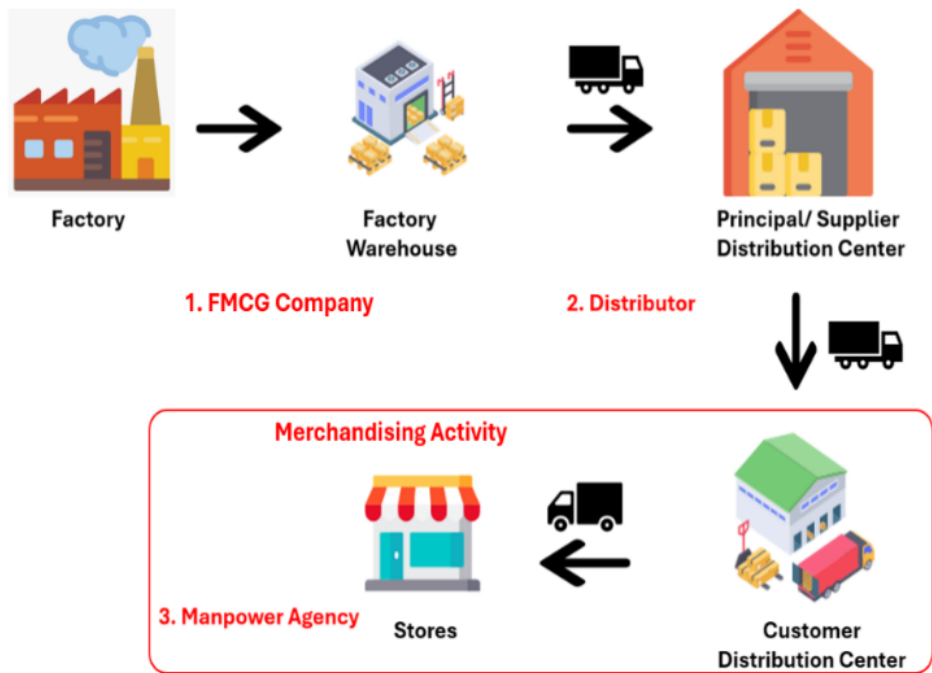

Figure 2. FMCG Stakeholders in the Supply Chain Distribution Process (Source: PT Good Food, 2025)

The primary task of a Frontliner Merchandiser is to ensure that products are available on the shelves in the outlet, are fresh, visually appealing to shoppers, and easily accessible to customers in the store. Other duties include checking stock availability, monitoring expiration dates or damage (regarding returns), arranging displays, installing POSM and additional complimentary displays, and managing additional visibility such as secondary display or dedicated shelves. Nationally, these activities have a significant impact on sales (receipts, store-to-consumer sales), as customers tend to purchase products that are in high stock, visible, and easily accessible. A previous study by Patel and Shah (2025) found that shelf visibility and height significantly influence impulse buying decisions in-store. This aligns with the Popai study, which showed that most purchasing decisions in the FMCG category are made at the point of sale, meaning product display is crucial (Rudawska & Haase, 2021). For example, products for the children's segment are placed on lower shelves to ensure they are within reach of children, while for the teen and adult market, product placement is at eye-level, and for mothers, placement is around the household category shelves. These elements attract customer attention and often trigger impulse purchases for certain products. Even simple things like placing products at eye level, facing them, or displaying promotional materials can improve brand recall and perceptions of product quality (Gabler, Ogilvie, Rapp, & Bachrach, 2023). The merchandiser's role goes beyond operations and includes direct interaction with customers and store owners, as well as involvement in in-store marketing activities. Data was obtained from several observations and interviews to uncover initial issues that emerged. The initial indicator of the problem stemmed from the low level of merchandising execution. According to guidelines, all merchandising tasks should be completed on the first visit or, at

the latest, the second week of each month (15 working days). However, in reality, by the third week (21 working days), achievement remained stagnant at 80.4%. The author attempted to identify issues within merchandisers and discovered that new and previous employees received no training related to KPI briefs and basic merchandising knowledge. Furthermore, there was no standardized onboarding process for new employees, resulting in uneven learning and uneven execution.

Research questions:

1. What are the factors that actually influence the performance gap for frontliners and team leaders to achieve KPI targets??
2. How does PT Good Food carry out an action plan on the factors that most influence KPI achievement and collaborate with stakeholders?
3. How well do the frontliner merchandisers carry out the action plan program?

This research makes several contributions: **Practical Contribution**: This study offers an onboarding model that can be immediately applied because it has been tested and implemented in the FMCG industry. **Managerial Contribution**: For FMCG companies and third-party agencies, the results show that inconsistent skills stem from inconsistent training. **Academic Contribution**: From an academic perspective, this research adds a new perspective to the discussion on frontliner merchandiser manpower in the FMCG industry. Most studies in this area focus on marketing, sales, and distribution strategies. This study focuses on the human capabilities of frontline merchandisers employed by a third-party agency, using a qualitative approach using interviews, focus group discussions (FGDs), and fishbone analysis. This approach can serve as a reference for further research.

Literature Review

In the FMCG industry, frontline merchandiser performance is influenced by the level of training and initial introduction to the merchandiser's role. When new hires undergo an onboarding orientation process that meets required standards, they tend to understand their responsibilities, grasp their responsibilities more quickly, become more confident in their actions and decision-making, and perform better in basic merchandising tasks such as product display, visibility execution, and maintaining compliance in their stores. Bauer and Erdogan (2011) also showed that good onboarding orientation helps shorten the adjustment period for new employees and accelerates their contribution to the company because they are already familiar with the tools, processes, and regulations they need to follow. On the other hand, inconsistent or non-existent onboarding does not guarantee good productivity in the field. Some merchandisers with training or more experience end up doing their jobs very well, while others (new employees with no experience at all) struggle with essentially the same task. essentially the same tasks. Many of these issues stem from the fact that not everyone has the same starting point; some have prior experience or training, while others do not. The training they receive, if any, varies widely, making the differences apparent in the field. Given these significant differences, standardization of onboarding orientation programs is necessary to ensure a shared understanding among merchandisers. Another issue is motivation.

KPI targets are not always aligned with the conditions in the field. This is a significant challenge, with the average merchandiser covering 100 to 150 stores per month and 11-18 store visits per day, but not all of them are addressed optimally. When they do not appreciate or see tangible rewards for their efforts, their performance often declines, even without recognition from their supervisors. Gabler et al. (2023) stated that people who see purpose in their work or receive some form of recognition are more likely to remain engaged. Without such encouragement, whether through incentives, praise, or even small opportunities for growth, many frontline employees end up simply doing what is necessary to survive. Instead of compensation and benefits, merchandisers prefer to work based on their passion and the comfort of their work, along with recognition and appreciation. Furthermore, the issue of resources is complex. Even the most capable marketing employees cannot perform well if POSM is late or the tracking application consistently crashes at the wrong time. Technical constraints in providing support tools have a domino effect on KPI achievement, which sometimes goes undetected during escalation. For example, if 10% of POSM shipments are not received by distributors, it creates a potential achievement gap. The problem does not always lie with merchandiser capabilities or operational issues. Chiadamrong (2015) points out that human capabilities and the right tools must complement each other, as both significantly impact how well operations run. In the FMCG industry, delays in POSM, unstable applications, or staff shortages can hinder the achievement of KPIs. These issues are common in daily work and typically impact the ability

of frontliner merchandisers to provide visibility into scheduled activities. Details of the business issue can be seen in Figure 3.
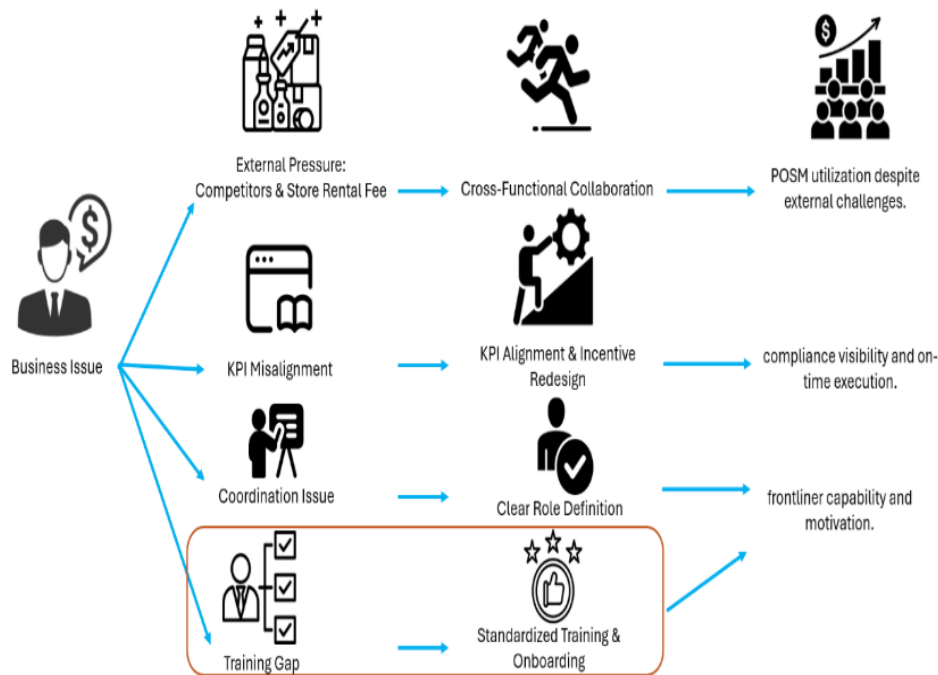

Figure 3. Conceptual Framework (Source: Author's Analysis, 2025)

Beyond internal issues, external competition and KPI expectations also have a significant impact. Competing FMCG brands regularly compete for the same shelf space, offering better rental rates or greater trade deals, making it difficult for PT Good Food to gain strong visibility, even when Frontliner Merchandiser are pushing hard. A highly saturated market still presents opportunities for growing product categories to be captured by competitors. For example, one of PT Good Food's products, "Panda Milk", is a Growing Category Product. Competitors are starting to enter the same category to take over market share by launching products for the upper, middle, and upper segments, such as Tujuh Kurma, Collagena, So Good, Entrasol, Indomilk, and so on. However, not all of them can survive; it depends on strong strategy and marketing activities, along with perfect implementation in the market. Ailawadi and Farris (2017) explain that intense competition Frontliner Merchandiser to adapt quickly, but not everyone has the experience or authority to make the right decisions on the spot. And when KPIs are set much higher than the team has historically achieved, many Frontliner Merchandiser begin to feel the targets are unrealistic. Incentives to boost KPI achievement can actually lead to demotivation due to unrealistic KPIs. Parmenter (2015) notes that KPIs need to align with actual capabilities and market conditions, or they risk damaging motivation rather than enhancing it. It is important to review KPI-setting policies to determine whether they align with company goals and whether they still make sense in terms of historical baselines.

The capabilities of frontline workers in FMCG operations, at least in this context, rest on four key components, as shown in Figure 4. First, training and development truly form the foundation of knowledge for the job. New frontliner merchandisers require an onboarding process to gain confidence in starting work, acting, and making decisions while performing store duties. Bauer and Erdogan (2011) showed that structured orientation helps new employees adapt more quickly and feel more confident early on, which impacts performance. The foundational knowledge provided provides insight into the field and supports informed decision-making. Different perspectives and understanding of field issues and a lack of direction can lead to implementation that is not aligned with standards and guidelines.
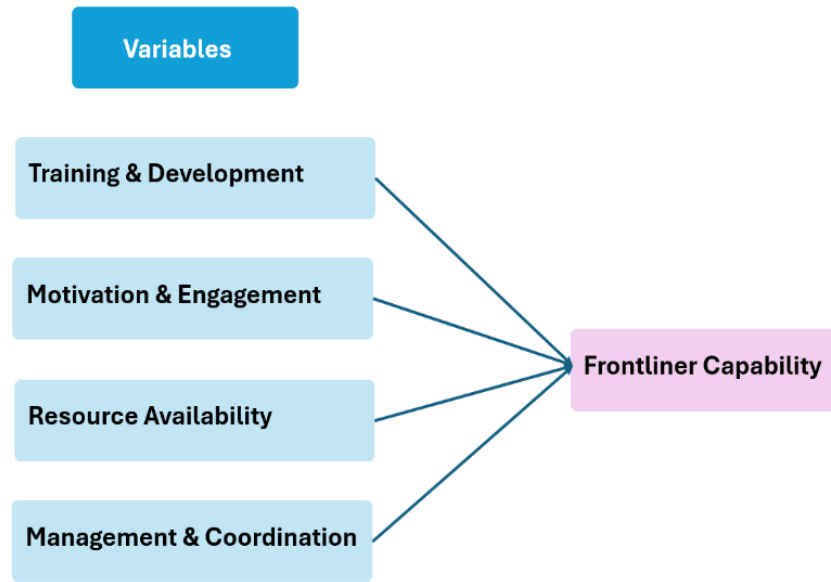
Figure 4. The Variable of Frontliner Capability (Source: Author's Analysis, 2025)

The second component is motivation and engagement. Research by Gabler, Ogilvie, Rapp, and Bachrach (2023) shows that employees who feel their work is meaningful and receive recognition or rewards for good performance tend to perform more effectively. Feeling appreciated makes a real difference in how they perform their work routines. In the long run, frontline vendors will be happy to perform work that stems from internal motivation. Another factor that significantly influences capability is the availability of resources and how well management coordinates work. Chiadamrong (2015) explains that human resource capability is closely related to access to tools, materials, and the proper allocation of labor. In FMCG operations, issues such as delayed POSM, unstable applications, or labor constraints can directly slow down the performance of frontline workers. These issues arise frequently and can easily impact timely compliance. Sometimes, KPI achievement is influenced by external factors, rather than internal factors (labor productivity and capability). Good coordination between supervisors and managers helps mitigate this. Clear instructions, problem escalation, timely follow-up, and regular feedback help translate training into daily habits.

Saks and Gruman (2011) also emphasize the importance of leadership involvement and consistent feedback. Even highly motivated merchandisers will not be able to perform optimally if the tools they use are not ready or if there is no one to guide them. A robust tracking system supports daily performance, addresses issues, and provides a dashboard to support decision-making for the PT Good Food Field Team. When these four components; skills, motivation, resources, and leadership, are truly aligned, vendors will be much better able to meet their KPIs, support sales performance, and help improve customer satisfaction. In the long term, this will create a conducive environment for company growth.
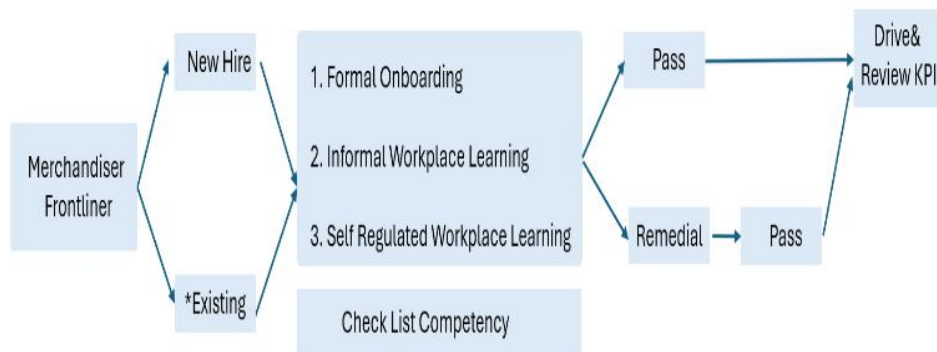

Figure 5. Flow Process improves Frontliner Capability (Source: Author's Analysis,2025)

In conceptually as seen in Figure 5, frontliners are divided into two, namely existing frontliners and new hires. For both types of frontliners, competency gaps are analyzed according to the company's needs to achieve business goals. After knowing the extent of each competency gap, it is then grouped. For existing manpower with gaps, training and development are given, while those with less gaps are given compensation reviews. For new hires with gaps, adjustment training and development plans are given, while those who are ready to work are given incentive strategies to accelerate and encourage productivity.

Onboarding Program Using ADKAR Model

The ADKAR model, developed by Jeff Hiatt (2006), is widely used in change management and can also be applied to employee onboarding. It emphasizes that successful integration into an organization requires guiding employees through five stages: Awareness, Desire, Knowledge, Ability, and Reinforcement. By structuring onboarding around these dimensions, companies can improve frontliner readiness, role clarity, and long-term performance. Details of the relevance of the onboarding program using the ADKAR Model approach can be seen in Figure 6.
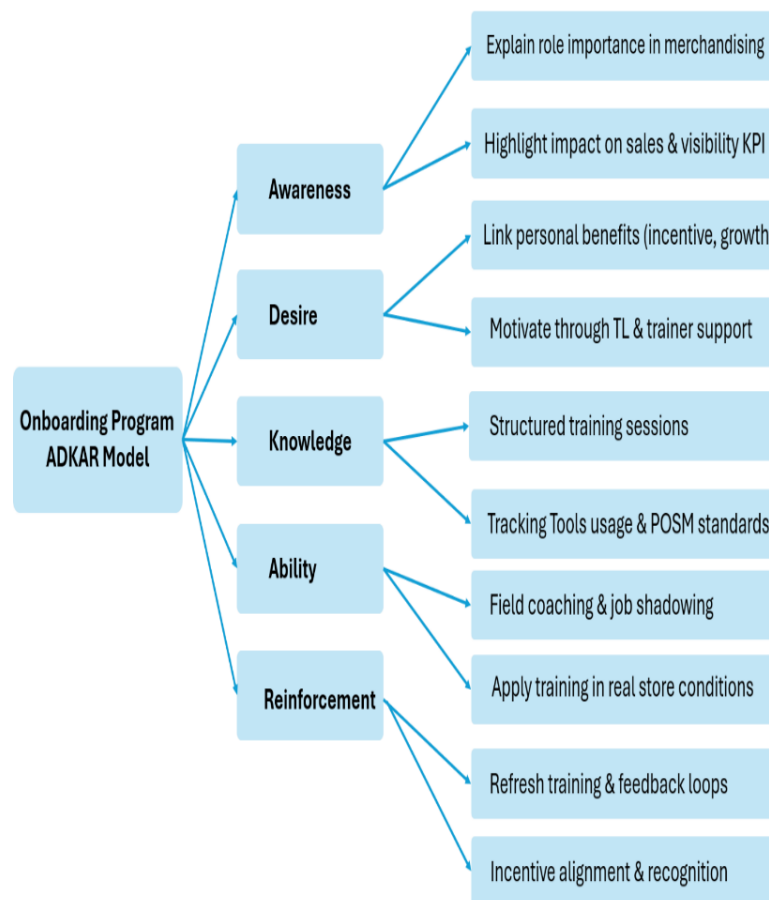

Figure 6 Onboarding Program ADKAR Model (Source: Author's Analysis, 2025)

The ADKAR model provides a practical lens to design a structured onboarding program for frontliners in the FMCG industry. Starting with Awareness, new hires need to understand why their role matters, especially how merchandising execution and visibility compliance directly influence sales growth and brand performance. The second stage, Desire, focuses on creating motivation by linking performance to incentives, recognition, and career growth opportunities. Without this alignment, frontliners often see KPIs as unrealistic and lose the drive to meet them. Moving into Knowledge and Ability, the onboarding process must deliver structured training, covering product knowledge, job descriptions,

POSM standards, and Tracking tools system usage, while also providing field coaching and shadowing so employees can translate theory into practice. Finally, Reinforcement ensures long-term capability through refreshing training, feedback, and recognition programs that sustain performance beyond the initial onboarding period. By embedding ADKAR into the onboarding journey, organizations can close the skill and motivation gaps identified in the field, making KPI achievement more attainable and consistent. The ideal timeline for implementing the Onboarding Program using the ADKAR approach can be seen in Figure 7.
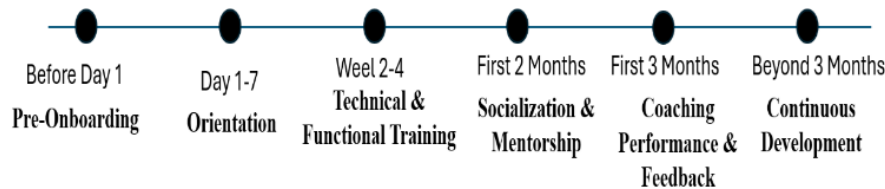

Figure 7. Standard Onboarding Program Timeline Model (Source: Author's Analysis, 2025)

1. Pre-Onboarding (Before Day 1)
Preparation should include contract administration, access to digital systems (e.g., Tracking Tools), and pre-reading about company culture and products. Bauer et al. (2007) highlight that pre-onboarding improves newcomer adjustment and reduces anxiety. Before the onboarding training begins, the first step is to confirm the final list of participants (eligible or not to join training) and send the training invitations to each of them. This helps ensure that all frontliners and related stakeholders are properly informed and prepared to join the session.

2. Orientation (Day 1-7)
During the orientation part, companies usually introduce their vision and mission, their values, and the basic expectations for frontliners. It is also where topics like Code of Business Compliance, Code of Doing Business and KPI expectations and target, such as the "on-time execution" that the visibility investment should be implemented the latest of second week in every month, are explained. Klein and Polin (2012) point out that a structured orientation improves clarity and helps new employees feel more connected to their teams. Typically, the facilitator starts with the required topics like the WHO Code and Safety Riding before moving on to the more practical parts of the job. Because those two topics are mandatory training.

3. Technical & Functional Training (Week 1–4)
Hands-on training in merchandising standards, visibility execution, and digital tools (e.g., Tracking Tools). Role play and field simulations should be applied. Saks and Gruman (2018) emphasized that training tied to job-specific competencies boosts engagement and early performance.

4. Socialization & Mentorship (First 2 Months)
Assign new frontliners to supervisors or senior merchandisers for job shadowing. This builds informal learning and workplace integration. Morrison (2002) argued that social learning and mentorship significantly improve adjustment in high-turnover roles. When frontliners begin their technical and functional training, they are guided directly by their supervisors. The supervisor's role is to make sure that all practices in the field are implemented according to the standard guidelines and that the frontliners fully understand how to apply what they learned during the onboarding session.

5. Coaching Performance & Feedback (First 3 Months)
Performance Coaching and Feedback. Supervisors play a crucial role in ensuring the onboarding process is truly successful. In most FMCG companies, they are the ones who monitor the onboarding process weekly- daily, reminding employees about KPIs, sources of gaps, and how to address or achieve them, correcting any deviations, and providing brief coaching whenever something seems unclear. This kind of regular feedback often prevents new employees from getting lost or disoriented. Supervisors should constantly remind frontline employees to stay on track. Saks and Gruman (2011) also note that consistent, structured feedback during the initial period not only builds skills but also makes

employees more engaged and less likely to leave prematurely. Long-term feedback interactions also reduce turnover rates. From what the author observed in the field, this matches reality. When supervisors stay involved and show up consistently, frontliners tend to be more confident and their execution becomes more stable. Supervisor demonstrates a good example of visibility compliance execution, that will be followed by Frontliner merchandiser.

ONBOARDING SMD				
Start	**End**	**Duration**	**Topic**	**Trainer**
9:30	10:15	0:45	WHO Code	Sales Trainer
10:15	11:00	0:45	Safety Riding	Sales Trainer
11:00	12:00	1:00	Job Description & Itinerary Store Visit	Sales Operations
12:00	13:00	1:00	Break	All Participants
13:00	13:45	0:45	KPI Brief	Sales Operations
13:45	14:30	0:45	Tracking Tools Usage & POSM	Sales Operations
14:30	15:30	1:00	Distributor Way of Working	Sales Trainer
15:30	16:00	0:30	Post Test	Sales Trainer

Figure 8. Training Material Onboarding SMD Frontliner FMCG Industry (Source: Author's Analysis, 2025)

In the relevant FMCG industry, the first part is mandatory training, which covers the WHO Code and Safety Riding. For companies that distribute infant formula, the WHO Code is a non-negotiable rule to prevent unethical promotion and protect breastfeeding practices, and employees must fully understand the limitation on displays and communication (World Health Organization, 2023). Safety Riding is also essential, because most merchandisers use motorcycles. Studies highlight that safety awareness training can reduce operational risk and improve worker confidence in the field (Siregar & Fatmawati, 2022). The onboarding also includes Job Description, KPI Brief, Tracking Tools usage "Distributor Way of Working," because merchandisers interact daily with warehouse teams, salesmen, and supervisors at distributor level.

METHOD

This study adopts a qualitative descriptive approach with an exploratory-applied research design can be seen in Figure 9. The research begins by identifying the capability gap issue among third-party frontliners at FMCG Company by a literature review, primary and secondary data collection, and data analysis using thematic and gap analysis techniques.

The general steps are as follows:

1. Problem Identification
   The company's internal data revealed that KPI achievement in week 3 was still not achieved with the provisions of completion in week 2 among third-party frontliners, which indicates a gap in performance and capability.
2. Literature Review
   The study reviews academic theories and frameworks on supply chain capabilities, human capital development, outsourcing strategies, and performance culture relevant to the FMCG context.
3. Data Collection and Insight
   Primary data is gathered through interviews and focus group discussions (FGDs) with stakeholders such as operations managers/ lead, sales training expert, outsourcing vendors Third Party Agency and frontliners. Internal documents and academic literature are also reviewed. This research was also completed with interviews with several related informants.
4. Data Analysis and Solution Framework Design
   Thematic coding and competency gap analysis are used to identify root causes and develop a standardized frontliner development framework. The solution design framework can also be compared with other studies that are similar to relevant solutions.
5. Practical Applications
   The Practical Application stage of this research involves translating the findings into actionable strategies by developing a standardized and scalable frontliner development model. This includes implementing blended learning, KPI Monitoring, and competency frameworks.

6. Project Trial and Evaluation
   Several
   Several pilot projects were conducted to determine the best standards for this project and conduct evaluations of each project implementation for future improvements. To evaluate the project implementation, the author used an online survey form with all frontliner merchandiser project participants.

This study proposes a holistic, cross-vendor competency gap framework and integrates a nationally scalable development model (including blended learning and job-based assessments), which is not commonly found in existing literature. Exploring complex, contextual, and under-researched problems (capability gaps in third-party frontliners). Generating frameworks or models based on emergent themes rather than testing hypotheses.
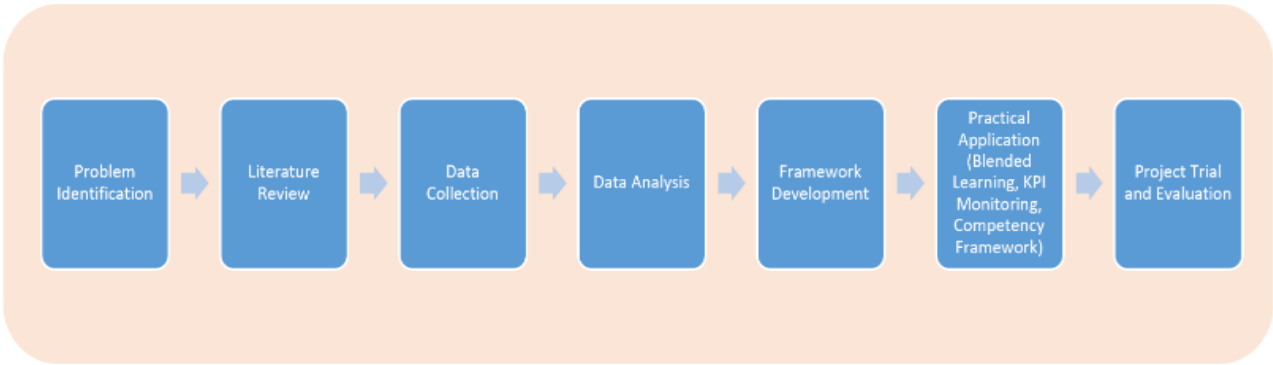

Figure 9. Research Design Diagram (Source: Author's Analysis, 2025)

Data Collection Method

Interviews and FGDs are chosen because they provide rich, contextual insights into real-world problems and stakeholder expectations (Creswell, 2014). The author divides the data into primary and secondary, what data will be gotten and from whom the data will be obtained and considerations for selecting it. This can be seen in Table 1.

Table 1. Data Collection (Source: Author's Analysis, 2025)

Data	Description	Key Informat (Source)	Consideration
Secondary Data	Secondary data is obtained from internal dashboards or reports to determine the achievement indicators of the KPIs that are the main issues, Company Profile, FMCG Industry, Business SOP, etc.	Internal Data, Desktop Search	To find out the achievement indicators of KPIs and phenomena or issues from general data or official reports.
Primary Data	Primary data is a follow-up of secondary data, validated to find out the actual issue that occurred so that it will become the right formulation to determine the next steps.	Third Party Agency, Frontliner Merchandiser, Supervisor, Sales Training Mnaager, operation manager.	Primary data is crucial to the accuracy of this research, so the selection of key informants must be precise. The author selected key informants who are directly or indirectly involved in influencing KPI achievement. The direct stakeholders are the frontliner merchandisers and operations team, who are KPI stakeholders. Meanwhile, the sales training manager and third-party agency indirectly support the sustainability process of the frontliner merchandisers.

This study uses a qualitative approach because the main purpose is to understand what really happens in field execution, not just to analyze numbers. This research was conducted in the Greater Jakarta (Jabodetabek) area, where the largest KPI gaps were identified. Data was collected through interviews, focus group discussions (FGDs), and direct observations with several stakeholders. Respondents included front-line merchandisers, supervisors, trainers, and PICs from third-party agencies. These respondents were selected because they interact daily with visible execution processes and understand detailed conditions in the field. The determination of key informants and considerations can be seen in Table 2.

Table 2. Key Informants (Source: Author's Analysis, 2025)

Interviewee	Data Collection	Focus Area & Type of Data Collected	Purpose
Operations Managers	Interview	Issues KPI achievement gap, Perspectives on capability gaps, execution challenges, and expected standards.	To answer RQ, RQ2 and RQ3
Third Party Agency	Interview	Recruitment process and training systems, training standard	To answer RQ2 and RQ3
Frontliners Merchandiser & Supervisor	Focus Group Discussions	Field experiences, issues and challenges, training needs	To answer RQ1 and RQ2
Sales Training Manager	Focus Group Discussion	Training SOPs, Existing training model for other third parties for benchmarking,	To answer RQ1, RQ2 and RQ3
Internal Company Reports	Document Analysis	KPI performance reports, Company SOPs, Company Profile	To validate findings and perform performance gap analysis (RQ1 & RQ2)

The data analysis method uses triangulation of secondary and primary data. Secondary data comes from Company Profiles, online sources, and Internal Performance Reports. It is then validated through interviews and the collection of primary data not captured in the secondary data. Focus group discussions (FGDs) are also conducted for validation and crystallization into action plans and evaluations. Details can be seen in Figure 10.
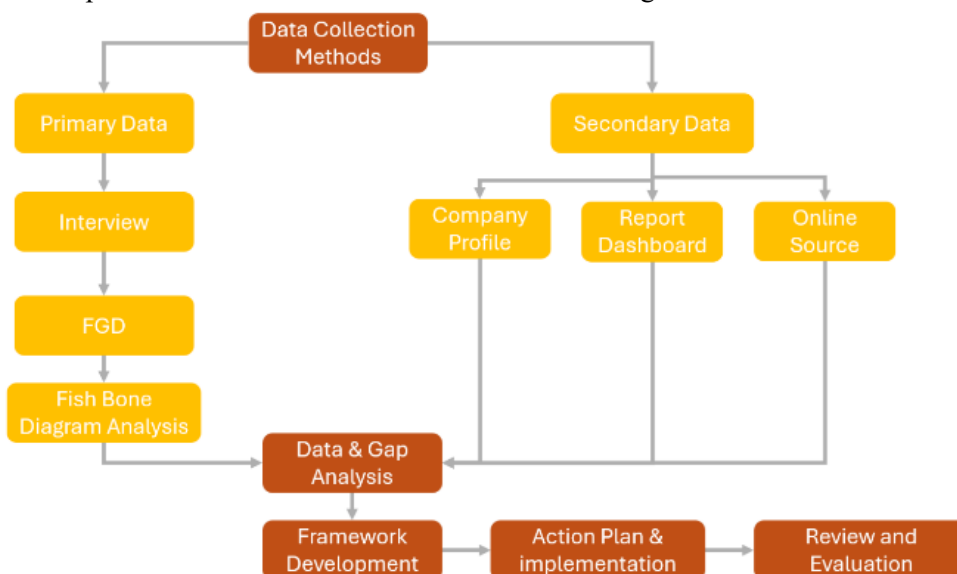

Figure 10. Data Analysis Methods (Source: Author's Analysis, 2025)

To identify the root causes of performance gaps, this study used fishbone analysis (Ishikawa). This tool is widely used in operational problem-solving to categorize potential causes into several dimensions, such as labor, methods, materials, machines, and the environment (Braglia, Frosolini, & Montanari, 2020). Fishbone analysis helps teams clearly map problems by organizing feedback from the field into a structured visual format. Combining interviews, FGDs, and the Ishikawa method allows researchers to capture both quantitative symptoms (low KPI achievement) and the qualitative reasons behind them, which is important when studying human capabilities and execution consistency (Creswell & Poth, 2018).
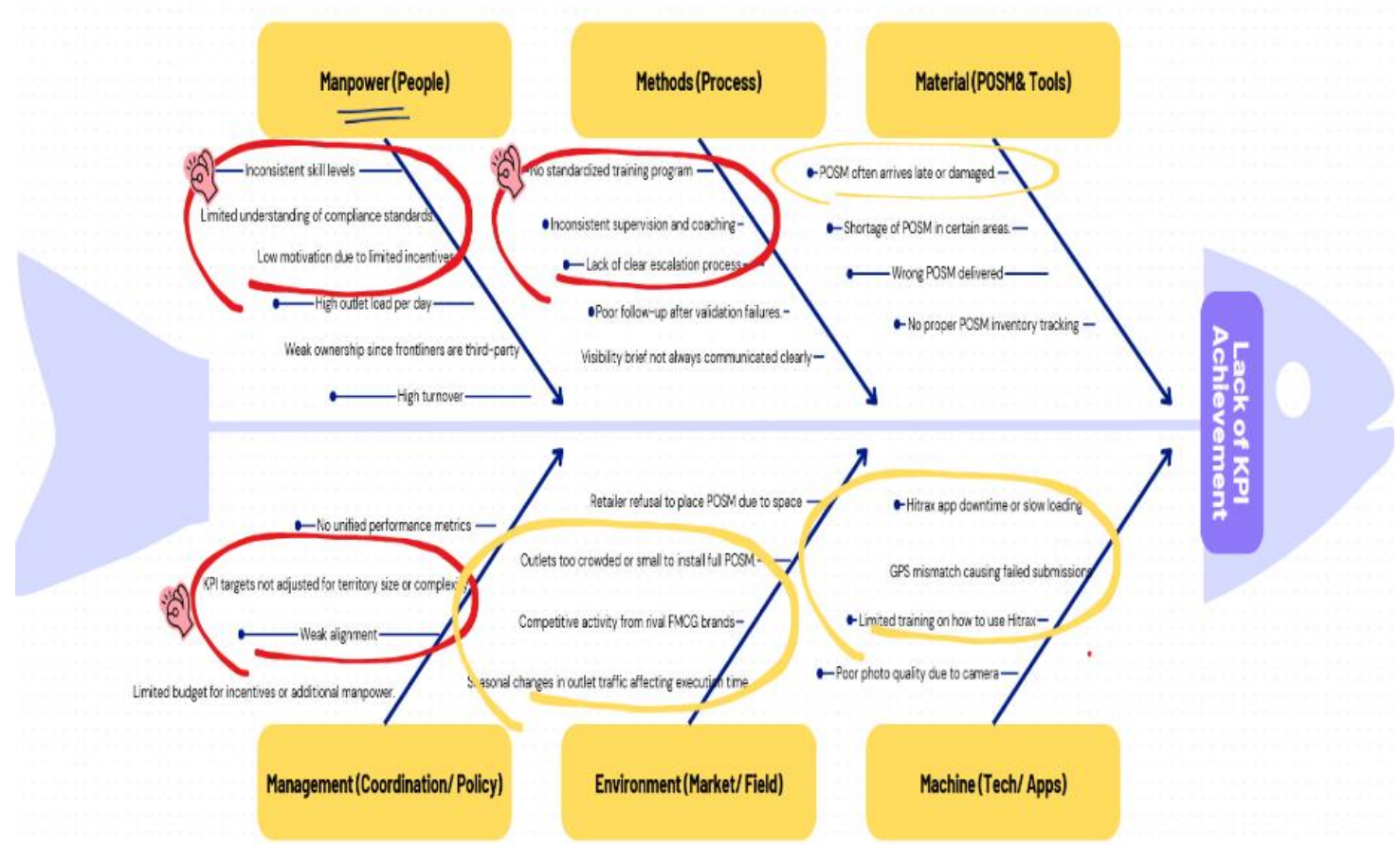
RESULT AND DISCUSSION

Figure 11. Fish Bone Diagram (Source: Author's Analysis, 2025)

After validating the findings as seen in the Fish Bone Diagram Figure 11, the main root causes can be grouped into three areas. The first is People, which includes inconsistent skill levels among frontliners, limited understanding of compliance standards, and low motivation caused by limited incentive achievement. The second is Process, where issues arise because there are no standardized training programs, supervision and coaching are not consistent, and the escalation process is unclear. The third is Coordination, which relates to weak alignment between teams and KPI targets that are not adjusted based on territory size or operational complexity. While coordination issues can be improved through better daily communication and operational planning, the root causes related to People and Process need a more structured solution. These can be addressed through a proper onboarding program, which currently does not exist, and by conducting regular training and alignment sessions to strengthen skills and consistency across the frontliner team.

Based on these findings, the research focuses on developing an onboarding program using the ADKAR change management model as a structured approach to close the identified gaps. In my experience, frontliners often start their roles with minimal preparation, and without proper guidance, they struggle to meet achievement KPI and targets. The ADKAR framework helps build this foundation step by step, starting with creating Awareness about the importance of their role, followed by building Desire to perform well, providing Knowledge through structured training, strengthening Ability through field coaching, and finally maintaining Reinforcement through continuous refreshment training and recognition programs. By applying this approach, the onboarding process is expected to be more systematic and sustainable, ensuring new and existing frontliners are better equipped to deliver consistent and compliant execution in the field. This study divides merchandisers into two groups that require targeted development. The first group is new hires, who will undergo a structured onboarding process consisting of three stages: formal onboarding training, informal workplace learning (through online platforms and peer learning), and self-regulated workplace learning (practical application in stores under supervision by team leaders or supervisors). After completing onboarding, their competency will be reviewed against a checklist of required skills and knowledge. Those who do not meet the expected standards will continue into remedial coaching sessions until they reach the minimum competency level.

Figure 12. Onboard Training Model (Source: Author's Analysis, 2025)

The training program relies not only on face-to-face classroom sessions but also on-site training (buddy systems, joint visits with supervisors and frontline employees to observe actual store conditions firsthand). Rothwell (2012) suggests that learning comes from a combination of formal lessons, practice, and consistent coaching. For merchandisers, this often means simulation exercises, time in the store, and supervisors who continue giving feedback afterward. The content also needs updating from time to time and relevant with the current update situation, especially when business priorities or visibility programs change. When this whole system is aligned well, it does more than teach skills, it helps build shared standards and a sense of responsibility within the field team. The author developed a framework onboarding training model as shown in Figure 12. The step before the onboarding is: confirming who will join and sending out the invitations every closing month to all new hire list, and makes sure that everyone involved knows when to attend and prepared. The full flow of the training model, shown in Figure 9, moves from New Hire Readiness, into the Pre-Onboarding steps, then the actual Onboarding Session, and finally the Post-Onboarding follow-up. The process starts with checking that each Sales Merchandiser (SMD) wether ready or not. This means their contract is finalized, their placement is clear, the tracking tools app is installed, their visit route plan has been arranged, and communication with the distributor and field team is already done. These early steps avoid confusion and help the onboarding run more smoothly and eligible to join the onboarding. During the Pre-Onboarding stage, the participant list is finalized, invitations are sent, and the content for the training is reviewed so that everything is still accurate. After the preparation is done, a Subject Matter Expert (SME)

review and delivers the material of onboarding session. Offline sessions usually work better for engagement, although hybrid formats are sometimes used. A short test is given at the end of the training to check trainees' understanding of the material. After formal orientation in the classroom or a hybrid session, the process continues to the Post-Orientation phase, where KPI performance is reviewed and evaluated to ensure new employees understand business processes and operations in the FMCG industry. They are also paired with a buddy or supervisor for guidance during their first week in the field. A refresher session is recommended after around three months, mainly to reinforce key points or update any new processes. This kind of continuous learning helps frontliners stay consistent and adapt better to the demands of the job.

Figure 13. Material Onboarding Training Standard (Source: Author's Analysis, 2025)

In the onboarding implementation, the facilitator begins with mandatory topics such as the WHO Code and Safety Riding. Then the conversation shifts to job duties, including how merchandisers should plan their daily store visits. The session moves through KPI explanations, POSM guidelines brief, and how to use of tracking tools, and usually ends with the Distributor Way of Working. The materials shown in Figure 13 were developed specifically for FMCG operations, especially those handling infant formula distribution across retail stores and wholesalers.
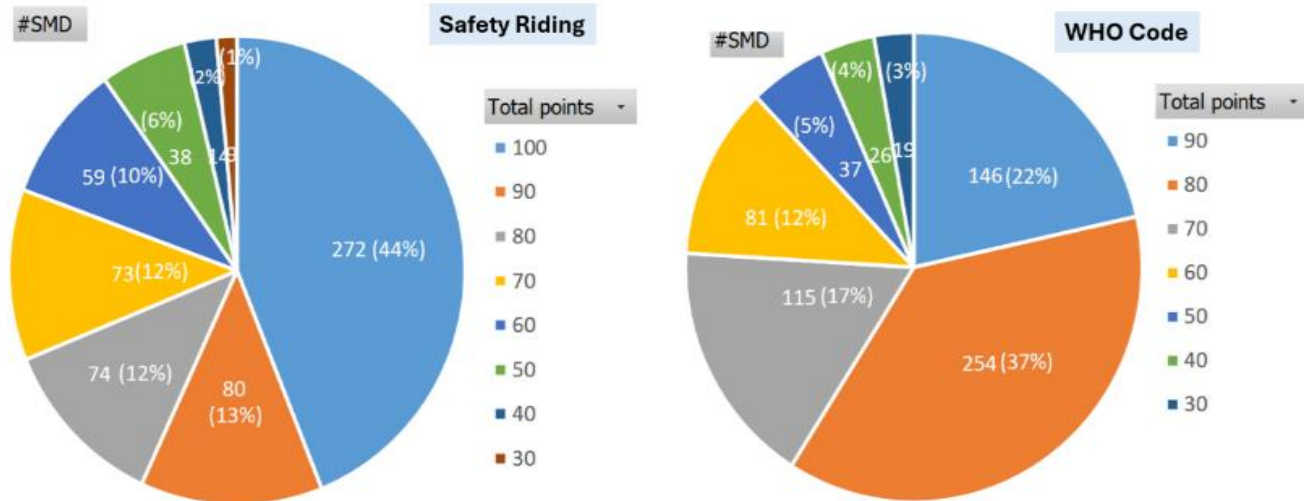
Figure 14. Post Test Result of Safety Riding and WHO Code (Source: Author's Implementation Report, 2025)

Understanding of the material presented is measured, among other things, by a post-test. The post-test results for the Safe Driving and WHO Code training, as shown in Figure 11, represent the results of two mandatory orientation modules for all new frontline merchandisers (SMDs). The Safe Driving module focuses on building traffic safety awareness, while the WHO Code module emphasizes ethical standards in marketing and selling infant formula products in accordance with global regulations. Based on the post-test data the results are shown in Figure 14, for the Safe Driving test, 44% of participants achieved a perfect score of 100, indicating a strong understanding of safety standards. While 1% scored below 30, 2% scored below 40, 6% scored below 50, 10% scored below 60 (59 SMDs), and 12% scored below 70 (73 SMDs), there are still areas that need improvement to raise scores below the threshold. Meanwhile, in the WHO Code assessment, 37% of participants scored 80 and 22% scored 90. 3% (19 SMDs) scored 30, 4% (26 SMDs) scored 40, 5% (37) scored 50, 12% (81 SMDs) scored 60, and 17% (115 SMDs) scored 70. Those below the threshold still need improvement. These results indicate that while the orientation program successfully provided essential compliance knowledge, there is still room for improvement, particularly in providing refresher sessions and practical learning.
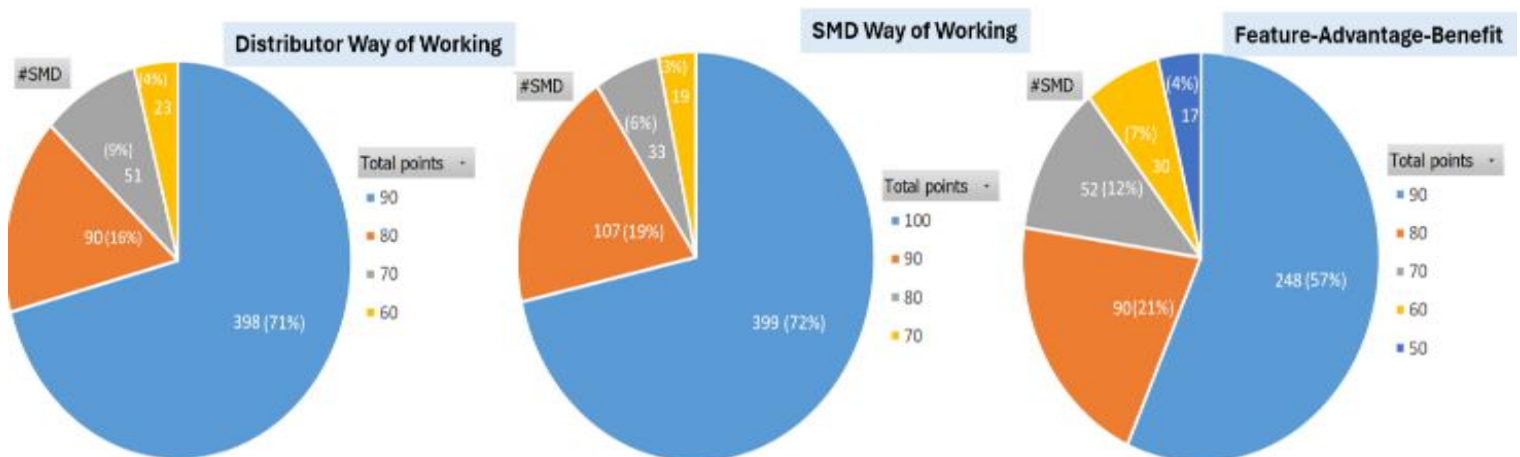

Figure 15. Post Test Result of Distributor& SMD Way of Working and FAB (Source: Author's Implementation Report, 2025)

For Distributor Way of Working training the results are shown in Figure 15, the majority of participants with a score of 90 as many as 71% (398 SMD), those who need to be improved are those who get a score of 60 as many as 4% (23 SMD), 70 as many as 9% (51 SMD), in order to better understand how to coordinate effectively with distributor stakeholders. In the SMD Working Method module, a score of 100 as many as 72% (399 SMD), a score that needs to be improved as many as 3% (19 SMD) who get a score of 70 with a threshold of 80, reflecting a good understanding of daily responsibilities such as understanding job descriptions, setting KPI targets, and using tracking tools correctly for visibility. Meanwhile, the Feature-Advantage-Benefit (FAB) product knowledge test showed that 57% (248 SMD) of participants scored 90, and 21% (90 SMD) scored 80. There were still SMDs whose understanding needed to be improved, especially those who scored 50 as many as 4% (17), 60 as many as 75 (30), and 70 as many as 125 (52). Overall, the post-test results showed that the orientation program was successful in building basic competencies among SMDs, which then required periodic refresher courses and field training to improve the quality of understanding and practicality.

ADKAR Model Benchmarking

A similar approach using the ADKAR model was also found in research by Hilmi (2024) at Bank Syariah Nasional and Furqon (2025), who examined ERP transition readiness at PTBA. At Bank Syariah Nasional, the onboarding program was still very new, launched in January 2023, and the completion rate was low, under 40%. From the assessment, the bank was considered about 75% ready to roll out the onboarding program. One of the biggest problems was that employees did not see the onboarding activities as a priority, so many simply did not complete it. There were also technical and operational barriers, such as unclear program duration, administrative complexity, limited competence of the assigned buddies, and application-related errors. All of these made employees reluctant or unable to finish the onboarding as planned. Hilmi's study recommended several actions; one practical suggestion was to link onboarding completion to KPI or bonus points, so employees have a real incentive to finish it, reviewing the program duration, improving the learning platform, and preparing better guidance for buddies who support new hires. Furqon (2025), who examined organizational readiness for an ERP transition at PTBA, the research focused on how prepared the company was to move from its long-used Enterprise Asset Management (EAM) system, Ellips, to a more integrated SAP ERP platform. The findings showed that employees actually had a fairly solid level of Awareness about why the transition was needed, and the Desire to support the change was also quite positive, especially among the younger employees and certain departments. The Knowledge aspect is not yet evenly distributed across all employees, with only a small percentage understanding the new system. The Ability score is slightly better, with many employees confident they can adapt once the new system is officially launched. Furqon's research identified several actions and suggestions to strengthen the ADKAR framework. First, establish a Functional Readiness Task Force (FRTF) to help manage change more systematically. Second, launch a targeted communication and readiness campaign to improve cross-departmental understanding. Third, the study recommends integrating ERP readiness indicators into leadership KPIs, holding leaders directly accountable for the transition.

CONCLUSION

Based on the findings discussed above, the frontliner merchandiser performance gap stems from several factors: highly competitive external competitors competing on price to gain more market share, misalignment of KPIs with the field conditions, resource issues, and the primary and most urgent issue, the capability gap for frontliner merchandisers. A capability gap exists among frontliner merchandisers, both in terms of understanding and implementation in the field. This is believed to be due to the lack of a standardized orientation program to provide merchandisers with a foundational understanding before starting work. New employees often learn informally from seniors or supervisors, resulting in varying levels of quality across the country. A standardized orientation model is urgently needed, as this program was previously non-existent, and management has high expectations for rapid and immediate achievement of KPIs. Creating a standardized orientation model is crucial to maintaining quality and narrowing the competency gap among frontliner merchandisers. Our proposed solutions and recommendations include: First, every new frontline employee should undergo mandatory training to establish a knowledge base upon visiting a store. The training materials should include mandatory training (WHO Code, Safety Riding), basic knowledge (job description, product knowledge, KPI explanation, POSM implementation, and how to use tracking tools). Training can be delivered in offline or hybrid sessions, supported by the agency's training platform. Post-training tests should be conducted to assess trainees' understanding, followed by

mentoring and on-the-job training. To ensure continuity, refresher training can be conducted every 3–6 months. By using the same material, the same trainers, and the same evaluation process, both companies and agencies can eventually standardize the development process. The mandatory topics, WHO Code and Safety Riding, received the highest scores because the rules are clear and the examples are easy to apply in daily activity. This also makes sense, because both subjects are delivered in a straightforward way and strongly emphasized during the training. After the material moves on to practical field implementation, such as POSM standards, how to use tracking tools, KPI briefs, and distributor coordination, the results vary. Some participants scored very high, only several merchandisers need to do follow up action plan especially related to reporting in the application and escalation procedures when they find the issue, for the example POSM is not available in distributor.

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