

Cognizant Announces an Alliance with Synergy Systems to Help Retailers Increase Sales, Improve Customer Satisfaction, and Optimize Employee Productivity

TEANECK, N.J.

[Cognizant](#) (NASDAQ: CTSI) today announced an alliance with Synergy Systems, Inc. to jointly implement their in-store collaboration and management platform, GlobalWorx™. This platform is designed to help retailers drive sales, improve customer loyalty, and optimize employee productivity by increasing the level of transparency and accountability between retailers and vendors servicing the stores.

News Facts

- The alliance between Cognizant and Synergy Systems combines strategic business and technology services, retail industry expertise, analytics, reporting, and best-in-class software and tools for in-store collaboration and management. Cognizant's global presence of industry and local experts will help further accelerate the market penetration and implementation of GlobalWorx™.
- GlobalWorx™ is a software-as-a-service (SaaS) platform that facilitates collaboration among retailers, direct store delivery (DSD) vendors, distributors, merchandisers and service providers to manage all in-store activities and improve operational efficiencies. Purchased as a service with minimal upfront cost and no additional server hardware required in-store or at corporate offices, the solution can be up and running quickly and is accessed through Android tablets, smart phones and internet-enabled computers. With GlobalWorx™, retailers can gain a better understanding of the service level performance of vendors and manage all in-store activities using an agreed upon standard to measure existing performance and improve future performance.
- GlobalWorx™ helps reduce out-of-stocks and subsequently increase store sales. The ability to easily monitor vendor performance and quickly report service issues using tablet technology ensures that products are on shelves at the right time. Further, store associates can focus on value-added activities in-store, instead of spending time managing non-compliant vendors.
- Store associates often spend many hours reporting service issues to their vendors with limited positive results. Telephone calls do not track progress from issue through resolution. With GlobalWorx's™ closed loop process, communicating and alerting vendors about issues is now hassle-free and at the store associates' fingertips. A built-in escalation and redundancy process within the solution ensures that service issues always get routed to the right professionals.
- The importance of DSD vendors within the grocery industry cannot be underestimated. Based on a GMA Study—Powering Growth Through Direct Store Delivery, DSD represents 24 percent of total unit sales and 52 percent of retail profits. Moreover, DSD represents 25 percent of total store labor in the North American market. This study explicitly points to the importance of having a collaborative and transparent environment between retailers and vendors in order to meet the rising demands of shoppers.
- Out-of-stock significantly affects customer satisfaction and ultimately the retailer's bottom line. Based on another GMA Study—Retail OOS: A Worldwide Examination of Extend, Causes and Consumer Responses, a typical retailer loses about 4 percent of sales due out-of-stocks, which translates to a loss of \$1.73 per shopping trip. Out of stocks also create customer service and labor cost problems. The GMA study noted that 42% of consumers, when confronted with an out-of-stock situation, make the purchase at another store or will not purchase at all. The labor impact was quantified in an updated study— A Comprehensive Guide To Retail Out-of-Stock Reduction In the Fast-Moving Consumer Goods Industry, which concluded the additional labor cost due to product out of stocks is in the range of \$200-\$800 per store per week.

Supporting Quotes

- "Retailers have long struggled with managing the schedules and performance of their in-store vendor partners. This lack of collaboration has very likely contributed to an increase of out-of-stocks in DSDs. Gartner research indicates that product out-of-stocks remain the number one dislike of consumers when shopping in-store. Solutions that can help connect these parties in a meaningful way have the potential to optimize operational performance, improve customer satisfaction and ultimately drive revenue," said Jeff Roster, Research Vice President at Gartner Inc.
- "As retailing shifts to an omni-channel, real-time network of suppliers and vendors, GlobalWorx™ helps

retailers reduce store labor and supply chain costs, drive revenue and streamline operations,” said Steven Skinner, Vice President, Retail Industry Practice for Cognizant Business Consulting. “Cognizant is pleased to partner with Synergy Systems to offer our worldwide network of clients a strategy for combining strategic business and technology services, retail industry expertise, analytics and provide a best-in-class solution that is accessible anywhere, anytime. GlobalWorx enhances Cognizant’s deep understanding of the retail space, and helps stores, vendors and retailers leverage cloud, collaboration and tablet technology to execute retailing operations with greater efficiency.”

- “When Synergy was looking for a global partner to help deliver its innovative GlobalWorx platform, Cognizant was a natural choice. Cognizant provides a rare combination of innovation and scale. We look forward to working with the retail industry experts at Cognizant to deliver the GlobalWorx solution to key retailers worldwide, helping them improve sales, vendor transparency and accountability through our collaborative industry platform,” said Bill Lecznar, CEO of Synergy Systems.

Supporting Resources

- [2012 Shopper Experience Study](#)

About Cognizant’s Retail Practice

Cognizant’s Retail practice, which works with 12 of the top 30 global retailers, leverages its deep domain, consulting, and enterprise architecture expertise to deliver competitive advantage to supermarkets, department stores, specialty premium retailers, and large mass-merchandise discounters across the grocery, general merchandise, apparel, home and office, and consumer electronics segments. The practice provides comprehensive business solutions in the areas of supply chain, merchandising, stores, e-commerce, and retail analytics to enable retailers to transform their businesses, drive innovation, and cater to the rapidly changing shopping needs, preferences, and methods of retail customers. The practice is enabling retailers to embrace the future of shopping with innovative platforms such as IntelliPeak™, which helps manage peak/holiday season sales, and IntelliSTORESM, which leverages technologies around mobility, cloud, social media, and analytics to deliver a superior in-store customer experience.

About Cognizant

Cognizant (NASDAQ: CTSI) is a leading provider of information technology, consulting, and business process outsourcing services, dedicated to helping the world’s leading companies build stronger businesses. Headquartered in Teaneck, New Jersey (U.S.), Cognizant combines a passion for client satisfaction, technology innovation, deep industry and business process expertise, and a global, collaborative workforce that embodies the future of work. With over 50 delivery centers worldwide and approximately 150,400 employees as of September 30, 2012, Cognizant is a member of the NASDAQ-100, the S&P 500, the Forbes Global 2000, and the Fortune 500 and is ranked among the top performing and fastest growing companies in the world. Visit us online at www.cognizant.com or follow us on Twitter: Cognizant.

About Synergy Systems

Synergy Systems, Inc. is the developer of GlobalWorx™, an innovative collaborative platform that enables retailers, distributors, merchandisers and manufacturers to interact at a store level with synergistic benefits. Synergy Systems, Inc. was founded in 2004 and is based in Glen Allen, Virginia. Synergy Systems, Inc. was named one of “Greater Richmond’s Companies to Watch” by the Venture Forum and won the “Emerging Technology Award” awarded by the Greater Richmond Technology Council. Visit us online at www.synergies4u.com.

Forward-Looking Statements

This press release includes statements which may constitute forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, the accuracy of which are necessarily subject to risks, uncertainties, and assumptions as to future events that may not prove to be accurate. Factors that could cause actual results to differ materially from those expressed or implied include general economic conditions and the factors discussed in our most recent Form 10-K and other filings with the Securities and Exchange Commission. Cognizant undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

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