



experience
analysis
insight

A New Model for Industry Research

The Scope of Task Management Continues to Grow – Reflexis Buys Enfotrust

By Paula Rosenblum, Managing Partner
11/9/2007

Retailers have been talking the customer-centric talk for several years now. The reasons are clear. Most, if not all retailers recognize that supply chain efficiency has joined low price as “table stakes” – expected, but not prized by consumers or Wall Street. Consistency in store execution is critical, not as part of an exercise in “Six Sigma” principles, but as a means to meet customer expectations and fulfill the promise implicit in advertising and marketing campaigns.

To reach their goal of fulfilling customer expectations, retailers are turning to task management applications. RSR’s [newly released report on Workforce Management](#) validates this notion. **Task management continues to become more important to retailers. Last year, only 23% of survey respondents rated it very valuable, compared to 46% this year.** Retail winners, (those whose year-over-year comparable store sales increases outperform their competitors’), were early adopters and have the most experience with these applications. Thirty-six percent of retail winners rate themselves highly capable of monitoring store performance through task management. But as the technology matures, it also becomes more ubiquitous. Once only accessible to the largest retailers, task management has caught the eye of small and mid-sized retailers as well. In our survey, smaller retailers, those with less than 1000 employees rated it highly, with 56% noting it very valuable.

With this data as backdrop, this week’s announcement of task management pioneer [Reflexis’ purchase of Enfotrust](#) takes on important meaning. Many retailers across all segments have adopted a strategy of outsourcing the management of at least some of their inventory to vendors, distributors and other manufacturers’ representatives. Synchronizing the activities of these third parties with activities of retail employees presents a new set of challenges for the customer-centric retailer. More cooks stirring the pot, more responsible parties, essentially out of control of the retailer impact the customer’s in-store experience. RSR analysts have long believed in the importance of synchronizing information and activities across the retail ecosystem, but nowhere is this more critical than in the store, where expectations are meant to become reality.

Reflexis had established strong ties with Enfotrust prior to the acquisition. In October, the two companies announced a joint venture, delivered as a service, expressly catering to these smaller retailers. SaaS offerings often allow smaller retailers to take advantage of world-class applications without the high start-up costs associated with software and hardware ownership. We believed this was an important step forward. The acquisition can only improve on the combined offering.

We expect to see more integrated reporting for the retailer and suppliers that identify gaps in store execution, regardless of who was responsible for specific tasks. As an added benefit, holding vendors managing their own inventory responsible for reporting on the status of their tasks gets the store manager “off the hook” in following up on VMI activities. Integrated task and performance management creates a holistic view of the store and provides a common framework for discussions between retailers and their partners. This type of merger, if executed properly, represents a win-win: for retailers, their suppliers, and their mutual customers.