

The Analysis of Added Value (C)

Consulting for the Al Dente restaurant chain

When Al Dente's general manager contacts WizTech and informs the company about Print-It's competing offer, a conference call with the VP of Engineering, Marketing, and Customer Success is scheduled. During the call, WizTech's VP of Engineering points out that while the solutions proposed by the two companies are similar, thereby ensuring comparable performance and cost structures, there are key differences between them. Specifically, since WizTech's solution offers an open and well documented API, many of its clients have used it to enable partnerships with food delivery companies (e.g., Deliveroo, DoorDash) and white label rider companies (e.g., Stuart). In other words, like Oracle and Print-It, WizTech provides a "deliver ready" solution that would enable Al Dente's restaurants to receive orders from the POS for dine in or take out. But it also connects to food delivery channels in an integrated manner, unlike Oracle and Print-It. Such approach would automate the process of prioritizing preparation taking into account the channel the order came from. For example, food delivery orders must account for riders' position to ensure food is not late, leading to inefficiencies, or early, damaging food quality. "We offer this feature at no extra cost," states WizTech's VP of Marketing, "and nobody else has it" (note that while WizTech offers the APIs at no extra charge, it costs them \$30 per client in extra labor to enable during setup). As WizTech's VP of Marketing indicates: "This is certainly a value-added differentiator for you in the market. Imagine the convenience you can offer to your customers." After the conference call Al Dente's executive team and the IT director meet to discuss their next step.

Discussion Questions

1. What should the Al Dente's general manager do now? What solution should they acquire?
2. Does WizTech enjoy a competitive advantage (or disadvantage) in this market?
3. Can you quantify the leader's advantage (or disadvantage)?