Domino's Business Case

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Group 2

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Domino's Pizza has become one of the largest fast-food chains in the world, due to the development of an expanded menu and its commitment to being a technological leader in the industry. Domino's executives made significant strides to improve operational efficiency and internal operations in the early 2000s by introducing technology-enabled processes. They optimized and standardized the design and layout of stores, developed internal management tools for reporting, provided employees with training and development opportunities, and gave customers a more personalized experience through the Pizza Tracker. While the enhancements have been beneficial and have allowed Domino's to eliminate waste, Domino's faces a dilemma about how to continue achieving and sustaining its competitive advantage.

Growing revenue and increasing market share is easier said than done. The pizza and overall food delivery industries are highly saturated markets with both national chains and local establishments. Domino's should focus on cost savings by optimizing the delivery portion of the service experience to help cut costs. The delivery process is lacking standardization across the chain as drivers are using personal vehicles, which can cause a lot of variation into guest experience.

Domino's has already started work on creating the Ultimate Delivery Vehicle by hosting idea generation competitions and enlisting over 30,000 designers worldwide to build a prototype vehicle. In an ideal world, Domino's could continue its efforts to create a cost effective Ultimate Delivery Vehicle, and take proactive steps to identify where the inefficiencies and waste in the delivery process lie. This study should span a variety of topics, including:

- Does the quality or appearance of delivery vehicles impact the customer experience?
- How do drivers and customers feel about delivery vehicles not being company owned?
- Key performance metrics that can be reported by driver and by branch
- Survey delivery drivers to gauge their satisfaction with the current processes and solicit feedback on how they may enhance the processes

A solution to combat driver inefficiency would be to implement an Uber-like tracking technology into the existing driver mobile platform. This technology would continue to optimize the driver routes throughout the delivery process, while also monitoring the driver as another component of the "fishbowl" to better address any inefficiencies. Integration of driver location into the Pizza Tracker mobile app would strengthen Domino's customer's mobile channel engagement by giving customers a better estimated delivery time, and even allow them to watch their driver pull into their neighborhood and up to their house.

Increased investment on optimizing the delivery phase could be costly without a significant return if there aren't meaningful improvements that can be made. Domino's Analytics Department will partner with key corporate and franchise leaders to conduct a feasibility study on the potential costs and benefits to overhauling the delivery phase. Domino's will heighten customer satisfaction, enhance their status as a market innovator, and positively impact the Domino's customer journey through this increased focus on the delivery process. By monitoring pre-established campaign goals, we will achieve increased market share and profits.