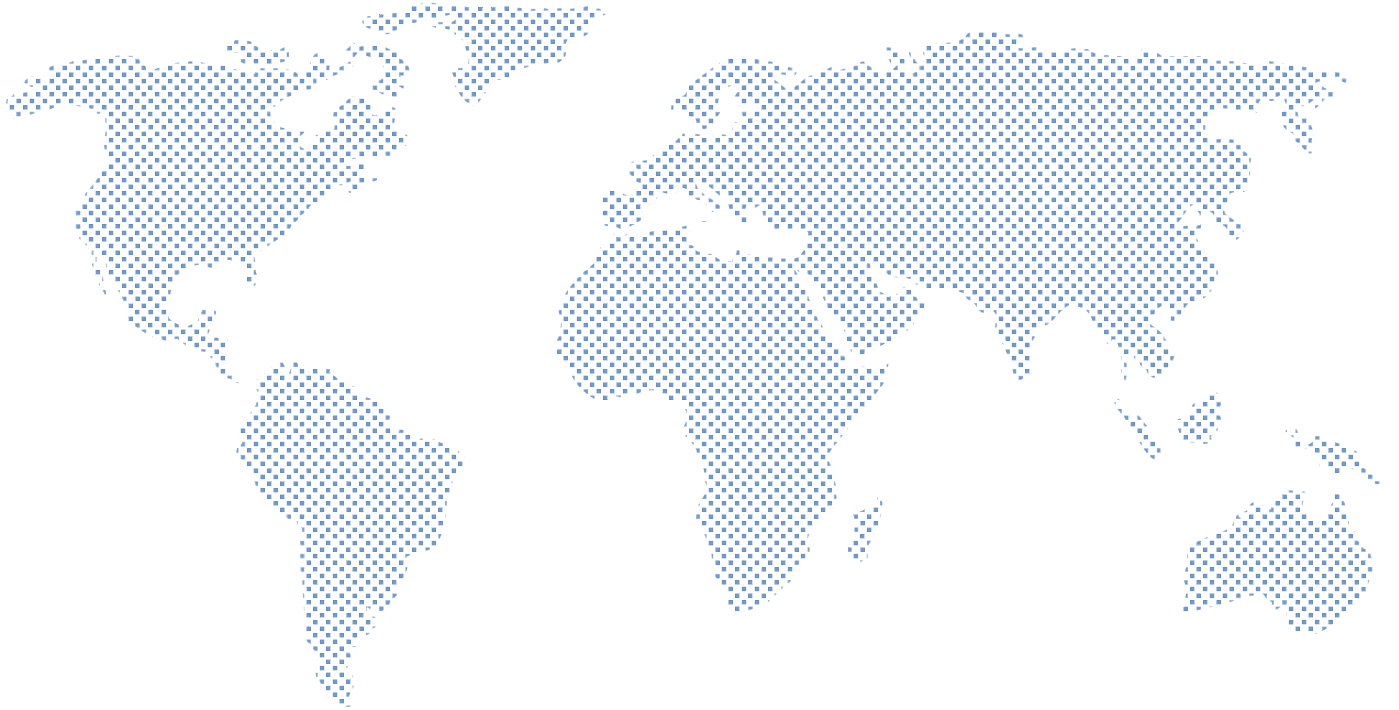


# SM2R2 CONSULTING

**The Da Vinci's Pizza**



Susiette, Marco, Michael, Ron, Ray

**Business Report**

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## Business Background

**"The Da Vinci's Pizza"** was set up in 1999 as a private limited company as was first opened in Toronto as a pizza take away shop. The shop was very successful and within the first two years it had decided to offer Home delivery and expanded the store for the customer to Dine-in. Based on word of mouth for their pizza's "quality" and "flavour" with pizzas and salad on the menu, "The Da Vinci's Pizza" has become well known in Toronto.

### Objective

The Da Vinci's Pizza (DVP) has a desire to grow its highly successful restaurant through a combination of geographic expansion, menu diversification and using social media to grow awareness.

DVP is now asking SM2R2 Consulting to recommend a new Data Provisioning Architecture that will support the ongoing research needed to support growth initiatives using data analytics.

### About SM2R2

SM2R2 Consulting is the industry leader to help retail businesses improve profits using data and analytics. With more than 20 years of experience working as a retail consultant, SM2R2 has helped hundreds of small and medium sized companies to achieve their business goals. Our company is specialized in solving retail store operational, financial and organizational problems, which includes helping retail companies optimize their portfolios and develop new formats and concepts. With our experience and network connections in retail business, we can creatively provide solutions for businesses operating within the razor-thin profit margins the retail industry faces today.

We understand retail consultant work also means helping businesses more effectively manage their supply chains while integrating costs. We will be happy to provide service that will be able to identify issues through careful analysis using statistical models. Also, we have a recently developed an online/mobile application for retailers to grow their business and our onboarding program will help you and your employees to have the skills that needed in the current market.

By using analytic strategies, best practices, and implemented procedures, we will be using a unique approach that is created specifically for The Da Vinci's Pizza. We are positive that we will deliver successful results for your growth needs.



## **Project Success Criteria:**

In order for this project to be considered a success, SM2R2 will provide with the following:

1. A complete recommendation of the structure of your data storage architecture (DSA)
2. The best way to implement the DSA, either through an outside provider or developing an in-house solution
3. Staffing required to maintain the DSA
4. Staffing required to extract and clean the data so it is reliable and easily accessed
5. A security recommendation to ensure access to the data is restricted to only authorized users and is protected from hacking of any kind.
6. Complete costing of the project, taking into account both one-time and ongoing maintenance costs

## **Statement of Assumptions:**

Following assumptions are made based on our preliminary discussions with management:

1. The initial strategies to drive growth that DVP have considered are as follows:
  - a. Select preferred locations for new restaurants. The intent is to acquire a lease on an existing facility and renovate it according to their customer experience criteria. They are considering opening 1 new restaurant this year followed by 2 new restaurants the following year.
  - b. Become more efficient in the life cycle handling of all food and beverage ingredients leading to lower cost
  - c. Target an upscale market in the suburbs with gourmet pizza and additional menu items and charge a premium price
  - d. Provide daily ``Themed Offerings`` based on social media monitoring similar to how music playlists are created.
  - e. Offer nutritional advice to customers during the ordering process to help them create a healthy gourmet choice based on new smart phone applications.
  - f. Create a community of Pizza Lovers who also value nutrition, lifestyle and physical activity to help them manage their orders
  - g. React to changing flavors and tastes by regularly adding novel types of ingredients
  - h. Provide a loyalty program with discounts that obtain demographic customer information
  - i. Provide an online ordering and delivery system based on a defined preference profile that may lead to automated order placement.
2. DVP have the following databases and they are maintained on a current basis:
  - a. Financial Information Data – 8 years
  - b. Staff hiring and performance data – 8 years
  - c. Supplier performance data – 8 years
  - d. Energy use data – 8 years
  - e. Customer satisfaction data – 8 years
  - f. Safety data – 8 years
  - g. Marketing and Promotions data – 8 years
  - h. Health inspection data – 8 years
  - i. Inventory management data – 8 years
  - j. Menu items data – 8 years
  - k. Customer order data – 8 years
  - l. Customer delivery data – 8 years

3. Communications infrastructure is sufficient to support any internet connections and download speeds (150 mbps at a minimum) required
4. Management team will be available for questions throughout the project timeline
5. Budget for the upfront costs for the DSA is \$100,000

### **Budget and ROI**

The initial investment will be \$50,000 for our hybrid cloud and \$50,000 for consulting fees. Our solution will be scalable to accommodate future growth, while minimizing the initial investment. The annual ongoing costs are expected to be about half of this figure, or \$50K per annum. This initial investment represents approximately 10% of current annual sales; this is expected to be more than offset with increased sales. The additional locations will further offset this initial investment.

### **Description of Methodology:**

SM2R2 will approach this project as follows:

1. Perform in-depth discussions with management with regard to:
  - a. The analytical requirements for each of the the strategies outlined above
  - b. Knowledge base of the available staff to perform the necessary analyses
  - c. The outside sources they use to drive their decisions regarding:
    - i. Development of new flavours
    - ii. Current trends in lifestyle, nutrition and physical activity
    - iii. The competitive landscape
2. Review the landscape of the open data community to find additional data sets that will support management's strategic objectives. (i.e. Demographic data by postal code to determine the ideal locations in the suburbs)
3. Assess the load requirements of the DSA based on the following:
  - a. Data storage requirements, understanding both the volume and the types of data. (Event, Measurement, Text, Multimedia, Spatial, etc.)
  - b. Software requirements for each of the stages of Data Management:
    - i. Intake
    - ii. Integration
    - iii. Distribution
    - iv. Access
    - v. Delivery
4. Assess the anticipated quality of each of the sources of data. (social media, GPS, ERP systems, etc.) to better understand the processes of extracting and loading the data and how much transformation is necessary.

## Project Plan:

Task	Resources	Estimated time	Deliverables	Risks
1 a – Determine Analytic requirements	Susiette, Michael,	10 days	Summary of analytic requirements by strategic initiative	Level of understanding relating to analytics
1 b – Staff knowledge related to analytics	Ray	2 days	List of staff and their related expertise	None
1 c – Outside resources used by management	Marco	2 days	List of resources accessed by management in each category	None
2 – Review the open data community for additional data sets	Ron	3 days	Preliminary list of any data sets which may be useful to this project	There may not be data sets which provide helpful information
3 – Assess the load requirements for the DSA	Susiette, Marco, Ron	10 days	Report outlining storage requirements for both volume and software	Difficult to estimate all requirements until the actual analytics and data sets are fully understood
4 – Assess the quality of the data from the various sources	Ray, Michael	2 days	Report highlighting the expected errors from each data source	The anticipated errors can be difficult to determine

Our proposal provides thorough analytical strategies that will combine successful results for your business.

If you have any questions, we can be reached at the information provided below.

Thank you,

### SM2R2 CONSULTING



T: +1 905 999 9998  
M: + 1 905 999 9999  
sm2r2@sm2r2analytics.com - www. sm2r2consulting.com  
1 York Rd, Toronto, Canada



## APPENDIX

### The Da Vinci's Pizza Menu:



### Our Specialists:

**Susiette:** Retail expert, specializing in food menu design and fast food line equipment

**Michael:** E-Commerce specialist, online shopping engine and web design

**Marco:** Financial Advisor, leasing, mortgage, legal documents professional

**Ron:** Supply Chain specialist, transportation, connections with producers and farmers

**Ray:** Promotion Coordinator, promotion design and loyalty programs

### Consulting Rates (After-Sale Service):

Hourly rate consulting: \$300

On-site training: \$2000

Data provision and documentation: \$500