**DATA MANAGEMENT – TEAM 9**

**CC’S PIZZERIA: SUSTAINING HOT, SAUCY FRESHNESS**

**cc'S DILEMNA**

It’s July 1st, 2020, CC’s Pizzeria’s one year opening anniversary. CC, the founder and owner of CC’s Pizzeria, was hoping to finally breakeven in 2020. Unfortunately, due to the onset of the COVID-19 pandemic, CC must re-evaluate his existing business model as he shifts to solely pick-up or delivery.

CC currently uses their own in-house delivery service; however, due to their limited customer base, CC decided to experiment with SkipTheDishes on a probationary period to assess if customer outreach and sales increase. After six months with SkipTheDishes, CC must decide whether to continue with SkipTheDishes or return to their own in-house delivery service.

**RESTAURANT INDUSTRY IN COVID-19**

While other industries managed to bring their employees back to work at a level of 1 to 10% below that of pre-pandemic, the restaurant industry still struggles to recover due to ongoing restrictions. [[1]](#footnote-2) Since the onset of the COVID-19 pandemic, 800,000 foodservice workers lost their jobs, and the employment level of the restaurant industry is still 21% below the levels of February 2020. The sales of the Canadian food service sector were estimated to decrease by $44.8 billion in 2020 from $93 billion in the previous year.

**PIZZA INDUSTRY IN COVID-19**

Although the restaurant industry had a severe hit by COVID-19, pizzerias were the winners that were impacted the least or even experienced a rise in revenue due to their convenient nature. The global industry leader, Domino’s, announced a 12% increase in revenues compared to the previous year, resulting in its stock soaring 40% in just nine months.[[2]](#footnote-3) Even the sales of frozen pizza climbed up by 21%.[[3]](#footnote-4) While 68,000 restaurants permanently closed during the pandemic in the United States, pizzerias had 2,000 new openings.[[4]](#footnote-5) Although the pizza industry had a slight 0.2% decline in sales, independent pizzerias were reported to experience a 0.58% increase in sales, outperforming the chains.[[5]](#footnote-6)

**PIZZA PIZZA LTD.**

Pizza Pizza Ltd. is a Canadian franchised pizza restaurant that owns subsidiaries including Pizza Pizza and Pizza 73 Rights and Marks. Pizza Pizza is a dominant market leader in Canada having generated $458.7 million sales in 2018, followed by Pizza Hut and Domino’s Pizza.[[6]](#footnote-7) Despite its dominant position and diversified revenue streams, Pizza Pizza also suffered due to the COVID-19 pandemic through reduced revenues. Currently, 60% of Pizza Pizza’s sales come from delivery and 40% come from walk-in customers whereas 90% of Pizza 73’s sales come from delivery and 10% from walk-in customers.[[7]](#footnote-8) Although the ratio of walk-in customers is relatively small for both subsidiaries, the closure of restaurant seating areas has significantly impacted the gross sales of the chain. The system sales in March 2020 decreased by 5.5% for Pizza Pizza and 10.1% for Pizza 73 compared to a year earlier.[[8]](#footnote-9) The drop in sales is mainly due to a decline in dine-in customers as the delivery and pickup sales were reported to be stable.

**SKIPTHEDISHES**

Due to lockdowns and restaurant closures, online ordering and delivery services have dramatically increased since the pandemic. SkipTheDishes has seen an 89% increase in the number of restaurant partners joining its network as it became inevitable for restaurants to use third party platforms to connect with customers.[[9]](#footnote-10) SkipTheDishes provided support to local restaurants by helping them produce at-home meal kits and enabled them to sell alcoholic beverages in some provinces.[[10]](#footnote-11) In order to adapt to the new social norm, SkipTheDishes created a safe contactless delivery service by suspending all cash orders and providing stickers for restaurants to seal their takeout bags.[[11]](#footnote-12) Additionally, SkipTheDishes provided 25% commission rebate for local restaurants which has amounted to $15 million by the end of March 2020.[[12]](#footnote-13) SkipTheDishes currently charges restaurants a 15% commission rate for every delivery order.

**CC’S PIZZERIA**

CC’s Pizzeria was founded on July 1st, 2019 by CC. Located in London, Ontario, CC’s Pizzeria is a small restaurant, currently employing 16 in-restaurant staff members and 6 drivers for their delivery service. CC’s operates from 11 am to 11 pm every day. CC’s separates themselves from the competition with their bold flavours and authentic Italian style. Though CC’s pizzeria is only a single restaurant, they hope to expand to multiple locations in London in the near future.

A year after opening its doors, CC’s has developed a loyal customer base. CC’s Pizzeria has become a popular restaurant for consumers in the nearby neighbourhood. Although CC’s has in-house delivery available, CC’s primary customers were families who came into the restaurant to eat. With the onset of the pandemic, CC’s Pizzeria can no longer act as a sit-down restaurant. Luckily, CC’s Pizzeria has been trying out the SkipTheDishes delivery service for six months. CC hopes this new service method has increased their customer base and revenue but doesn’t know how to verify the effect it is having on his business. SkipTheDishes charges a service charge on every order and, additionally, receives 15% of the revenue from each order made through SkipTheDishes. After taking an online SQL course, CC hopes he can compile all his records and find out the effect of SkipTheDishes on his business.

**CC’S DATA PROBLEM**

CC records all business data in Excel spreadsheets. With the spike in online orders due to the pandemic, he has become overwhelmed with the volume of data. With separate spreadsheets for every type of data, it has become difficult to track relationships between customer orders and invoices. Mistakes were common whilst editing the spreadsheet. As such, CC hopes to compile his preexisting records into a single database. He plans to use this new database to keep track of existing records and add future records.

CC wants to use his records to evaluate the value of SkipTheDishes but struggles to do so in Excel due to the complex relationships between SkipTheDishes records, customer orders, and invoices. CC wants to use SQL code on his new database to evaluate the value of SkipTheDishes and its utilization versus the in-house delivery service that CC’s currently uses.

**CC’S DREAM DATABASE**

When a customer places an order, CC’s records retain a customer order with the total order amount and the service method that is used (pick-up, in-house delivery service, or SkipTheDishes). A service ID for the respective service method is also recorded in the customer order. CC’s also records a discount amount if one is given on the order.

If the customer chooses to pick-up an order, CC’s always records the customer’s first and last name and phone number of the customer. Customers have the option to give us their address and email, however, this is uncommon for pick-ups.

If a customer orders through SkipTheDishes, CC’s records the customer’s first and last name, address, phone number, email, and the service fee from SkipTheDishes. Service fees do not typically exceed $8. The SkipTheDishes platform also contains information on delivery drivers, however, CC’s does not record this information.

If the customer orders delivery through the in-house delivery service, CC’s records the identification number of the driver who will be delivering the order and the customer’s first and last name, address, phone number, email, and service fee. CC’s maintains records of their in-house delivery drivers’ first and last names, SINs, and license plate numbers.

After CC’s receives an order from a customer, the store creates an invoice with the store ID, customer order number, the date, and the time. Each invoice has invoice lines with the menu item ID and quantity of items. Each menu item ID has a name, description, cost, and price associated with it.

Although there’s only a single CC’s Pizzeria currently, CC was expecting to expand before the COVID-19 pandemic began. Therefore, CC wants to record the store’s street address, and postal code. CC wants the option to include the store’s phone number.

The store employs multiple employees. CC’s always records which store they work at (although there is a single store now, CC wants to be prepared for expansion), their first and last name, SIN, and job title. Employees have the option to record their date of birth, email, and years of experience.

CC’s Pizzeria also stores information about its suppliers. The three different suppliers all have their own identification number and the total quantities they provide for the Pizzeria are recorded along with the cost of the contract they have signed with CC’s. The suppliers are linked to the ingredients they provide, and each ingredient has its own identification number. Lastly, the ingredients provided by the suppliers are the secret behind all the delicious and fresh menu items served by the restaurant.

**SKIPTHEDISHES VS. IN-HOUSE DELIVERY**

After a six-month probationary period with SkipTheDishes, CC wants to know whether SkipTheDishes is worth it. He wants to know how much revenue SkipTheDishes is bringing into his pizzeria compared to the in-house delivery service. What is the sum of meaningful orders ($20+) coming in from each service method and on average how much discount is being offered for each?

CC also wants to know how much SkipTheDishes service fees are costing him to determine if this is a beneficial partnership for his business. How do the costs (service fee, SkipTheDishes 15% fee and total cost) compare for SkipTheDishes vs. Inhouse Delivery Service?

CC Pizzeria’s new database provides CC with a new way to assess the profitability of his restaurant. He wonders which menu items have become most popular with the addition of his new SkipTheDishes customer base during the COVID-19 pandemic. What are the most popular items on the menu during COVID-19 and what is the corresponding quantity sold, price, cost, and profit?

**LOOKING FORWARD**

With the COVID-19 pandemic raging on as strong as ever and with no end in sight, CC sat down at a table amidst the dead silence that had pervaded his restaurant in recent months. Accepting the current circumstances as the new normal, he whipped out his laptop and scoured through his SQL notes. He was determined to convert his thousands of rows of spreadsheet data into an easy-to-use SQL database and find answers to the pressing questions he had about his partnership with SkipTheDishes. As the aromas of fresh vegetables, delectable meats, melted cheese, and tangy sauces wafted near his nostrils, he decided to reward himself with a delicious pizza after his task was complete.

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9. Lawrence, R. (2020, May 28). SkipTheDishes sees 89% increase in restaurant partners amid pandemic. Retrieved from https://www.cheknews.ca/skipthedishes-sees-89-increase-in-restaurant-partners-amid-pandemic-671331/ [↑](#footnote-ref-10)
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12. Lawrence, R. (2020, May 28). SkipTheDishes sees 89% increase in restaurant partners amid pandemic. Retrieved from https://www.cheknews.ca/skipthedishes-sees-89-increase-in-restaurant-partners-amid-pandemic-671331/ [↑](#footnote-ref-13)