Open table -

Business, E-Commerce

Competitiors will have a difficult time competing against OpenTable since OpenTable is already a well established business with a leading supply of reservation, table management and guest management software for restaurants. In addition to this, the company also operates OpenTable. com, which is the world's most popular website for making restaurant reservations over the internet. OpenTable has also grown over a period of 14 years and has gone from just being a start-up to a successful and growing public company that boasts itself of around two-thirds of the nation's reservation-taking restaurants as clients. Another reason is that the closest competitors such as MenuPages. com are limited in their services in that though they offer access to restaurant menus and reviews, the visitors to their site cannot make reservations and MenuPages site covers only eight U. S cities. OpenTable has also partnered with onetime competitor Urbanspoon, enabling it to acquire Urbanspoon's reservation management system, Rezbook, thus becoming Urbanspoon's reservation provider. Apart from that OpenTable is committed to shrewd technological investments such as mobile Web site, mobile applications that work on just about every Smartphone platform. It has introduced an iPad app that fully integrates with the ERB software and GPS enables mobile uses to locate and make reservations at nearby venues. A new addition has also enabled users to pay for meals with a credit card directly from its apps.

2. The following characteristics of restaurant market make it difficult for a reservation system to work; Foremost restaurant booking systems require a fully secure reservation and cancellation functionalities that should come with confirmation of e-mail. This particular feature is real time and ensures

that you are keeping abreast with developments as they take place real time. Secondly, some user interface are difficult to use for the online visitors, making them to be not user friendly to any potential customer who may want to use them. Thirdly, the fact that while in the market of restaurant reservation system online, you require a system that is web based as compared to the one that is installed or rather upgraded on a physical machine makes it difficult for a reservation system to work.

3. OpenTable's market is susceptible to network effects which means that the more people use it, the more utility the system delivers, which made OpenTable's growth to continually provide diners with expanded choices. More diners have thus discovered the benefits of using online reservation system which in turn delivers value to restaurant customers and helps attract more restaurants to the network. OpenTable adopted a business model that utilized viral marketing by encouraging dinners to e-vite their dinner companions to the meal. This in turn makes the email to provide links back to the OpenTable Web site, which leads to the OpenTable link appearing on the restaurant's Web site, making a direct link to the reservation page. OpenTable has also launched Facebook Connect allowing users to share their reservations on Facebook, as well as a Facebook app called Reservations, which allows partner restaurants to book reservations directly from Facebook. OpenTable has also employed its tried-and-true business model, which combines technology with old-fashioned door-to-door sales to expand to its North American markets over time.

4. Software as a service (SaaS) is a very effective tool since customers do not need to buy software and install it on their computers. They thus get it

directly from online and get the software functionality through subscriptions. SaaS also does not involve selling of goods but instead allows diners to make reservations, just like social network sites provide services. SaaS further allows real time access to a number of local restaurants and thus ability to instantly book confirmed reservations around the clock. SaaS finally makes it easy to deal with restaurants as a single market.

Work cited

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