Pizza hut essay sample

1)BACKGROUND OF PIZZA HUT

History:

The idea of Pizza Hut® was originated in the year 1958 by two college students (Frank and Dan Carney) from Wichita and Kansas, whom were approached by a family friend with the idea of opening a pizza parlour; though the idea was relatively new to most of the Americans at that time but surely not the brothers, whom were quick to foresaw the potential of this new enterprise, though it requires them to borrow about $600 from their mother, with which they purchased some fairly-used equipment and rented a small building on a busy intersection in their home town. The result of such entrepreneurial efforts did not only limited introduction of the first Pizza Hut® restaurant, but also served as the foundation for what has became the largest and most successful pizza restaurant in the world. Analysis has shown that, over the past four decades, they built a reputation for excellence that has earned them the respect of consumers and industry experts alike. Their products have been voted Number One in countless consumer surveys nationwide; with more than 7, 200 units in the U. S. and 3, 000 units in more than 86 other countries, among which is Malaysia. Pizza-Hut's coming to Malaysian Market

It operations in Malaysia began on the 19th of May, 1982. It opened its first outlet at Yow Chuan Plaza, Kuala Lumpur. Cerebos (a Singapore based-company) was the first owner until after it had opened about 29 outlets then it decided to sell out the franchise to KFC Holdings Malaysia Berhad in December 1995. The number of Pizza Hut outlets since then has grown to 72

outlets today. The firm was projected then, to grow at a planned average rate of 10 new outlets per annum for the next 3 years. Vision:

☛To be the leading integrated food services group in the Asia Pacific region based on consistent quality products and exceptional customer-focused service. ☛To be able to meet with intense competition in the fast food industries. ☛To provide her employees with the tools they need in order to be successful. ☛To introduce a special fast food lunch package at a price equal or cheaper to the fast food counterpart. ☛To creating a unique work environment where everyone counts and knows they make a difference.

Mission statements:

🚍To strives to continually develop, innovates existing pizza in terms of variety, taste and value in the food industry; 🚍Create opportunity for personal and professional growth and development of all staff by forging excellence through talented people; 🚍Continue to deliver customer satisfaction through Quick Service Restaurant Operators; 🚍Increase market share and return on investment of the shareholders.

Services at Pizza Hut: Services can be defined as intangible offering of values that do not have physical form and provided to a customer or client (William P. Anthony, B. J. Hodge). The table below represents the two types of services offers by pizza-hut to her customers. Table 1. 1 Services at pizza.

Computerize Services

Manual Services

☛Online order

☛Greet customers like guests

🍕Free telephone call service for their customer.

🍕Project a positive language

🍕e-mail

🍕House delivery

🍕Advertising on their web site and on TV channels about new products or promotion.

🍕Say please sorry and thank you.

🍕Given feedback by the customer.

🍕Turn unhappy customer into happy ones.

🍕Catering for take-away.

🍕Constant market.

🍕A casual dine-in restaurant which cater for family meal.

Strategic:

Goal-based

2)DESCRIPTION OF THE TERMS OFFLINE AND ONLINE

🍕Offline: This can simply be defined as the manual transactions between pizza hut and her customers without using internet and it can be done in two ways: Process ' A' (Phone calls)
The customer will call the centre office of Pizza-Hut using their centre number, and book for a table; this comprises the time he/she will arrive at the branch. All his/her necessary information will be saved so that when he arrived, waitress/waiter will now confirm the booking and pizza will be served to the customer after payment must have been made to the cashier and receipt is given to the customer. Process ' B' (Traditional)

It comprises the migration of the customers from their various houses to the nearby pizza-hut restaurant for their meals, without booking for a table before coming. Also pace to pace talking between customers and the waitress/waiter after joining the cue when ordering. Also receipt will be issued to the customer etc. Advantages:

I. When a customer trek from his house to nearby pizza-hut restaurant, which may serves as training, which is good for health by keeping the body fit. II. It may create opportunity for the customer to meet important people. Disadvantages:

I. Long cue may create customer fatigue.
II. Too much noise can create lost of concentration.
III. There may be waste of time in waiting for your turn to come. IV. There may be language barrier between the customers and the workers. V. The environment may not be conducive for a particular customer. VI. Regular visit of the customer to pizza branch may expose him to some threats.

Online: This simply stands for the opposite of the offline; in other ward, it can be define as an act of transaction between pizza-hut and her customers in which the customers will remain in their various houses or offices and make order via their website. Process ' C' (Computerized)

The customer will simply logon the www. pizzahut. com register as a user if he doesn't have an account, then he can make selection based on his/her choice through the menu, while providing his delivery inquiry. Each product has it's necessary information attached to it. After 30min of the completed ordered, delivery will be made to the customer at his house then

payment will be made on the received of the delivered pizza. Booking can also be made online if the customer wants.

Advantages:

I. It increases flexibility and provides easy access to information on customers, suppliers, and competitors. II. It provides stimulus to rethink a firm's strategy and to initiate reengineering project. III. It provides more security as customer will remain at his/her house and make order. IV. There is very little fatigue as customers don't have to move from place to place. V. Everything is there on the web-site just for the customer to select and make order. VI. It beautifies the business by keeping pace with modern technology. VII. It promotes opportunity for pizza to become part of the global economic.

Disadvantages

I. Online ordering is geographically limited such that smaller towns might have very little access to it. II. Some food ordering software may track purchases and distribute customer's information to many different restaurants. III. It may result to errors that are hard to fix when it involves a third party delivery. IV. Information about the expiring date of the product may not be included, and this may discourage a customer who is very active about that. V. Obtaining a reliable, fast connection to the Internet can be very expensive. VI. There is need for a high degree of technical knowledge.

STRATEGIC IMPLEMENTATION OF IT AND IS IN PIZZA HUT
Strategic Planning is a planning activity through which one confronts the major strategic decision facing the organization (Laudon 2002). For this

strategic plan, the following series of steps will be used. The figure below

shows the processes undergone in moving towards a strategic direction

EXECUTING THE ABOVE PLAN

MISSION: From the company's missions statement as stated earlier.

OBJECTIVE: This is also based on the restaurant's objectives as stated earlier.

ENVIRONMENTAL ANALYSIS

The table below shows a brief analysis of pizza-hut using SWOT techniques,

to internally analyze the company. More detail of this will be in question no.

4, under the description of the restaurant features. Table 2. 1

Strength

•Strong name and brand image

•Powerful partnership

• Strong customer relationship

•Making a difference

•Ability to carry the two services (offline and online). Weakness

•Borrowing

•Online ordering is geographically limited such that smaller towns might

have very little access to it.

Opportunity

•Other major countries

•Desire for richer products/ changing tastes

•Increased importance of holidays. Threat

•Product allergies to customer

•Greater environmental concern

•Increase in cost to " keep up" with production.

VALUE CHAIN MODEL

A value chain model enables a company to outline specific activities in the business where competitive strategies are best applicable and where precisely. Information System has great impact strategically, value chain model comprises of 2 mainly activities namely Primary activities and Support activities. Administration and Management

Human Resource

Technology

Procurement

Inbound LogisticsOperations Sales & Marketing Services Outbound Logistics

Figure 1. 2: Value Chain Model (Source: Laudon (2002))

SUPPORT ACTIVITIES

•Administration and Management: Based on the analysis carried, the administration at pizza is quite cute just that they should continue to keep pace with technology changes that happens every day. •Human Resources: Pizza-hut has at least moderate, if not perfect work force planning system. The employee recruitment/ training are quite good; but there must be a need for a constant update in order to meet up with the rate at which technology changes. •Technology: The introduction of Information Technology (IT) infrastructure in pizza has really helped the firm in search of her set goals. But it is very vital to keep upgrading, in order to reach the goal.

•Procurement: This involves purchasing raw materials and ingredients e. g chickens, beef, spices and other ingredients which are used for making pizza. The firm has tried so far to be able to produce all the necessary raw materials from within the organization through the use of agricultural farming e. g. poultry farming. PRIMARY ACTIVITIES

•Inbound Logistics: There is a good supply chain both from within and outside the organization, which helps pizza to provide a constant market for her valued customers. •Operations: Pizza's productions are improving with the advent of technology which help the company in running business both offline and online. •Sales and Marketing: The information systems are not bad, just that there is always need to consistent in providing the best for the customers. An introduction of Customer Relationship Management (CRM) system will keep this constant. •Services: The ability of pizza to run two types of services (offline and online), is one of many advantages that pizza has achieved over her competitors. •Outbound Logistics: Delivering finished pizza is quite cute at pizza-hut.

TECHNOLOGIES TO BE IMPLEMENTED
Table 3. 1, Technologies
ERP System FeaturesSolutions Provided
PeopleSoft Enterprise Application , version 9. 1 Supplier Relationship Management (Procurement), Financial Management, Campus Solutions, Enterprise Performance Management, Human Capital Management, Enterprise Service Automation, Customer Relationship Management etc. Helps in recruitment and Staffing the company, Increase productivity, accelerate business performance, Applications user experience, governance,

risk and compliance management, oracle application integration architecture, extensive tools and architecture. Database Management System/Server

Oracle Database Enterprise Edition, version 11gDatabase clouding, support for billions of records and management ease, performance and scalability, application development. Reduce server costs by factor of 5, improve mission critical systems performance by a factor of 10, eliminate idle redundancy in the data canter , simplify overall IT software portfolio etc. Virtualization

Oracle VM Premier Limited three times more efficient than other server virtualization products, Linux and Windows Operating Systems Support, Certification of Oracle Database, Middleware, Applications etc. Support for both Oracle and non- Oracle applications, Enterprise-class server virtualization software and support, Lower total cost of ownership through no license cost, lower support costs, consolidation of servers

THE DESCRIPTION OF THE DIMENSION OF IMPACT OF THE PROPOSED SYSTEM WITHIN PIZZA HUT Benefits for pizza-hut restaurant:

1. It will cover the development and management of long term plans of pizza-hut, making sure that all projects fits within this plan. 2. Maintenance of relationships between pizza-hut, customers and the suppliers. 3. Identification of career paths & organisation of training for the pizza staff. 4. The development of processes that guide telecommunications, client devices, servers, programming and configurations, documentation procedures, backup storage and information security. 5. Establishment of

outsourcing procedure options that take into consideration the organisational standards and objectives. Description of the restaurant features: The description will be best on the internal analysis of pizza-hut using SWOT format as shown below.

Table 4. 1

Strengths:

⌂Pizza Hut served 50 million slices of garlic bread , using approximately 12, 500, 000 cloves of garlic ⌂Pizza Hut uses the equivalent of 525 million pounds of Portuguese tomatoes each year and more than 700 million pounds of pepperoni per year to make its pizzas. ⌂Presence of many outlets around 72 within Malaysia.

⌂ New delivery feature to boost consumer convenience.

⌂Wireless Credit/Debit Card Payment Facility.

⌂' Hot on Wheels' mobile kitchen which travels across the country providing oven hot pizzas at outdoor functions and events.

⌂ Powerful partnership.

⌂Strong customer relationship.

⌂Ability to cook up to 100 pizzas in one hour. Weaknesses:

⌂Online ordering is geographically limited such that smaller towns might have very little access to it.

⌂Long cue may drive away some customers.

⌂Borrowing.

Opportunity:

⌂Availability of economic component.

⌂Expansion opportunity.

⌂Demands of different tastes.

⌂Awareness increase

⌂Regionalisation to enhanced operational efficiency.

⌂Better carrier advancement opportunities.

⌂Branches in many countries.

⌂Serving a host of big clients including telecom Malaysia, tenaga national and Toyota Malaysia.

⌂There is extended Corporation's Entrepreneur scheme

to the integrated poultry farming sector which can help fulfil the growing requirement for birds from subsidiary companies.

Threat

⌂Product allergies to customer

⌂Threat of upcoming competition

⌂Lowering tariffs on franchising and licensing

⌂New entrance like Domino's Pizza in Pakistan's market can affect their market shares.

⌂Social factors can affect their image as a Western organization. ⌂Greater environmental concern.

⌂Increase in cost to " keep up" with production.

⌂Presence of competitors.

Important business process in pizza:

1. Full services: They are the traditional pizza hut offering a seated service and takeaway. 2. Home services: They offer home delivery.

3. Restaurant based delivery: They are full service restaurant combined with

a delivery and takeaway. 4. Express units: This offer a lot of opportunity to expand into food halls and other busy retail locations; with about 24 express units. 5. Franchise:

Business strategies: The strategy is explained in the below diagram.

Suggested strategy information system:

•Using Business Process Reengineering to re-transform the company's business process by taking full advantage of the latest technology available in the market. •Making use of an enterprise system to fine tune the company's business flow and taking the advantage of the enterprise system's extended modules such as Customer Relation Management and Supply Chain Management. •Utilizing the most advanced Database technology.

•Adopting PeopleSoft's ERP system technology

•Upgrading the Internet's web platform to deliver our extended services to our valued customers.

•Using virtualization to enable us to work with/on different applications and platforms. Benefits for the restaurant:

•It will help in recruitment and staffing the organization.

•It will help in increasing productivity at pizza.

•It will also accelerate the business performance.

•It will help in promoting the applications user experience.

•It will also governance risk and compliance management.

Management of change and innovation:

Top Management will continue to play great role by financing as well as ensuring policies that will promote Pizza-Hut by ensuring that the organization is keeping pace with technology changes which happens almost every second, this will ensure innovation within the organization there by placing Pizza-Hut ahead of her competitors. Parameters will be set to control and measure customer satisfactions level, technology and product innovation, relationships between suppliers, Pizza-Hut and the customers etc.

CONCLUSION

SWOT analysis and value chain model were used to analysed and investigate pizza hut both from within and outside the organization. Services were investigated (online and offline), problems were outlined as well as possible causes that lead to the problem especially with the offline services which happens as a result of technological dilemma. IT and IS solutions is being designed to promote stability and standard of the business in order to ensure customer satisfaction throughout the business life-time while adhering to the organization's vision. A well defined strategy is also being devised for Pizza as an ultimate strategic movement for the company, which will help in keeping pace with technology changes. The strategy will enable the company to always adjust along with the latest technologies in the IS and IT market.

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