

Case: The Pizza Connection

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Dave Collier owns and operates The Pizza Connection in Ohio. The restaurant is a franchise of a large national chain of pizza restaurants; the product and operations are typical of the industry. As picture below shows the facility is divided into 2 areas: customer contact and pizza production.

Customers enter the facility and wait to be seated by a hostess. In the case of a carry-out order, the customer goes directly to the cashier at the front of the facility to place an order or to pick up a previously phoned-in order. Dine-in customers are served by waiters and waitresses; upon completion of their meal and receipt of the check from the server, they proceed to the cashier to pay their bill and leave. During peak hours at lunch and dinner, the cashier's area become crowded with customers waiting for carry-out orders and dine-in customers trying to pay their bills.

The pizza production area is somewhat of a hybrid layout. Major operations that comprise the pizza production process, such as the preparation tasks, baking, and the cut and box tasks, are grouped together. These individual work centers are arranged in a flexible-flow pattern around the production area.

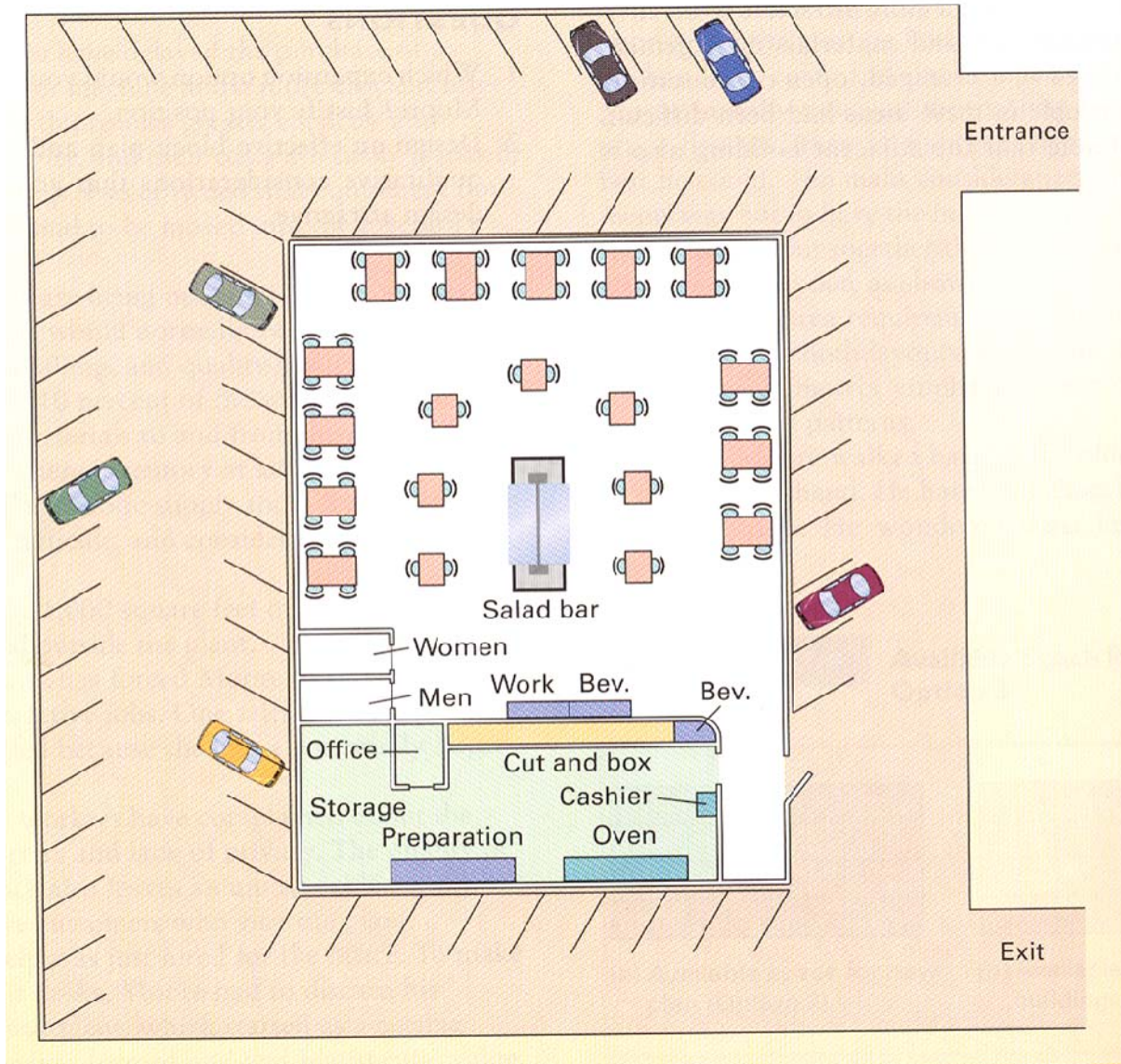
Historically, Dave's operation has been very successful, benefiting from the rise in popularity of pizza that swept across the country during the past few years. To help take advantage of this trend, the franchiser's home office provided coordinated national and regional marketing and advertising support. It also provided strong product development support. This resulted in a new line of specialty pizzas designed to expand pizza's market appeal.

Recently, however, Dave has noticed a decline in sales. Over the past few months the number of customers has been declining steadily. After doing some research, he came to the following conclusions, which he felt explained the decline in sales.

To begin with, customer demand had changed. Providing high-quality pizza at a reasonable price was no longer enough. The customers are now demanded speed, convenience, and alternative dining options. If they were dine-in patrons, they wanted to be able to get in, eat, and get out quickly. Phoned-in, carry-out customers wanted their order ready when they arrived. Also, restaurant "parties" were a growing trend. Little league baseball teams, youth

soccer teams, and birthdays all had been part of a growing demand for “party space” in restaurants.

Besides these changing market demands, Dave had seen competition rising very fiercely in the area. Dave wondered how he should respond to what he had learned about his market. He thought that a reconfiguration of the restaurant’s layout would enable him to address some of these changing customer demands.



Required

1. Reconfigure the layout to respond to customers’ demands for speed and convenience.
2. Explain how your new layout addresses the issues that Dave identified.
3. How can the effectiveness of this new layout be measured?