

SUCCESS STORY

DOMINO'S PIZZA ITALY

Domino's Pizza franchisor, ePizza SpA, had already opened 22 stores in 6 Italian cities by 2015. Three years later, due to this success, VORTAL started a collaboration with Domino's Pizza to help the company innovate and optimize its purchasing processes.





CUSTOMER

Domino's Pizza, the worldwide chain of restaurants specialized in pizzas, has now opened numerous restaurants all over the world. It was founded in 1960 by the Monaghan brothers and today is one of the biggest chains of pizzerias in the United States. What makes this chain so unique, is that its pizza is made with traditional Italian ingredients, therefore it has also been successful in Italy.

In 2015 Domino's Pizza Italian Master Franchisor – ePizza SpA - had already opened 22 stores in 6 Italian cities. Three years later, due to this success, Domino's Pizza started a collaboration with VORTAL that, with its 20 years of experience in the eProcurement field, could help the company innovate and optimize its purchasing processes.

PROJECT SCOPE

By 2030 ePizza foresees a big expansion in the Italian territory including the opening of additional restaurants. Up to date, VORTAL has been crucial for the development of a better procurement strategy in the construction area of the company, encouraging the involvement of new suppliers, increasing the competition and governing the new opening negotiation processes.

Nonetheless, despite the good results achieved and the reduction of those costs, ePizza needed to reduce the CAPEX costs of their new openings with a cost-cutting project that may enable ePizza to furthermore reduce the new opening costs above 15%.

CHALLENGES

SPENDING ANALYSIS & OPPORTUNITY ASSESSMENT

ePizza urged to reduce costs related to the new openings, in particular CAPEX costs. VORTAL was involved with an opportunity assessment to achieve these desired savings through a spending analysis made by collecting expenditure data on the entire organization, internal demand and supply market. The result was a spending reclassification that lead to new savings and optimization opportunities found within categories. The outcome of this phase was the definition of an action plan.

EXECUTION PLAN

The action plan, validated by ePizza, has been executed by category experts that together with the cooperation of the technical department of ePizza have managed all the sourcing activities, starting from the creation of the Scope of Work, the definition of the requirements, the validation of the supplier base and the negotiation phase.

POST AWARDING

The post awarding was crucial since a significant proportion of the equipment, such as ovens and floor tiles, required tests and sample analysis in order to evaluate the compliancy of the new products with the internal policies and standards of ePizza.



RESULTS



21,72%

SAVING 21,72 % COMPARED TO THE CURRENT PRICE



780.000€

MORE THAN 780K€ OF SAVING UP TO 3,5 MILLION€ OF BASELINE



15 Days

EVIDENCE OF A SHORTER TIME TO MARKET: THE TIME FOR MANAGING 6 CATEGORIES WAS REDUCED TO 15 DAYS



INCREASED TRANSPARENCY: THE MANAGEMENT OF TENDERING PROCESSES WAS CHANGED INTO AN INTEGRALLY ELECTRONICAL PROCESS



ADOPTION OF A NEW STANDARDIZED METHODOLOGY AND SCALABILITY OF THE NEGOTIATION PROCESS



CONSIDERABLE INCREASE OF THE SUPPLIER BASE



CREATION OF LONG LASTING AND TRUSTWORTHY PARTNERSHIPS

"The competition among suppliers brings important results in terms of savings: 25% compared to the budget and an important saving in terms of process: it takes less than 10 days to manage negotiations. These are important results given our constant search of efficiency and innovation. Our technical department is always looking for ways to innovate their processes and the support of VORTAL was a facilitator in accelerating the opening process of new points of sale."

Alessandro Lazzaroni CEO of ePizza S.p.A – Domino's Pizza Italia

"We have covered our sourcing process with the sourcing modules of VORTAL, allowing us to receive information and offers, to organize eAuctions and to award the projects easily, faster and in a more efficient way.

As far as support is concerned, we receive it at the suppliers' onboarding. This is very important to succeeding in the reception of offers on time, as well as when it comes to question the right suppliers. We also receive a good support at the preparation of the online tender and in the alignment of the offers: we upload the bills of quantities to the VORTAL eSourcing Suite, which allows us to receive immediate, faster and more accurate comparative maps of the offers."

Fabrizio Frombola Head of the Construction department of ePizza S.p.A – Domino's Pizza Italia



