



## 'CUSTOMERS' SATISFACTION IS OUR MOTTO'- DOMINO'S PIZZA: A CASE STUDY ANALYSIS

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### Abstract:

*Customer is a sovereign in the market for all products and processes and each company emerges with the implied motto of customer satisfaction. As far as the satisfaction of customers is concerned, firms generally ask customers whether their product or service has met or exceeded expectations. Brand loyalty too frolicked a significant role in customer satisfaction, when consumers become committed to the brand and make repeat purchases over time. Domino's is one of the most incredible companies. The Domino Pizza company's main motto is to satisfy its customers. Therefore, when they received the complaints, immediately they had reacted and rectified the issues with a new solution. It adds goodwill to the company. To fulfill customers' satisfaction, the stores are able to monitor and keep the quality and consistency of their products. The experienced and enthusiastic staff are serving customer needs. The store recognizes that different customers have different needs. The study aims to identify in what way Domino Company has overcome the problem to satisfy the customers.*

**Keywords:** Customer satisfaction, Domino's Pizza, Quality, Strategy, Product, Process, and Loyalty.

### 1. INTRODUCTION

Customer is a sovereign in the market for all products as well as processes and each company emerges with the implied motto of customer satisfaction. Customer satisfaction is a measure of how products and services are contributed by a company to meet or outstrip customer expectations. As far as the satisfaction of customers is concerned, firms generally ask customers whether their product or service has met or exceeded expectations. That infers expectations are a key factor behind satisfaction. Brand loyalty too frolicked a significant role in customer satisfaction, when consumers become committed to the brand and make repeat purchases over time. Brand loyalty may be a result of consumer behavior and, is tormented by a person's preferences. Loyal customers will consistently purchase products from their preferred brands, no matter convenience or price. A number of the factors which influence brand loyalty of consumers are customers' perceived value, brand trust; customers' satisfaction, repeat purchase behavior, and commitment are found to be key influencing factors of brand loyalty.

In the 21st century, the new, innovative, and emerging company is Domino's Pizza in the food industry. Domino's is one of the most incredible companies. Domino's Pizza is a fast food restaurant business headquartered in the United States of America, although it has a big international network of locations worldwide. Nowadays, Pizza is very widespread among the Indian population especially children in urban areas. Even though Pizza is originated in the United States it spread all over the countries because of the quality, taste, aroma, etc. Domino's Pizza is a Pizza Retail company spread across India across 85 Locations in 22 Cities. Currently, the chain has a presence in about 70 countries throughout the world. It has a workforce of about 145,000 people. It is regarded as the leading worldwide fast-food restaurant chain, with corporate and franchised locations in excess of 10,000. Domino's competes with a variety of fast-food franchises in the industry, including both foreign and domestic companies. Domino's is the world's second-largest pizza company, following only Pizza Hut, which is owned by

YUM! Brands. The aim of this study is to examine the factors influencing the fondness and satisfaction of customers towards Dominos' Pizza.

## 2. BACKGROUND OF THE COMPANY

**1960:** Dominick's, a pizza store in Ypsilanti, procured by Tom Monaghan and his brother, James

**1965:** Tom Monaghan, the sole owner of the company, renames the business "Domino's Pizza, Inc."

**1967:** The initially Domino's Pizza franchise store opens in Ypsilanti, Mich.

**1978:** 200<sup>th</sup> Domino's store Established

**1983:** 1000<sup>th</sup> Domino's store Established

**1989:** (i) 5000<sup>th</sup> Domino's store Established.

(ii) Pan Pizza, the company's first new product was introduced

**1990:** Domino's Pizza established its 1,000<sup>th</sup> franchise.

**1996:** Domino's launches its website (www.dominos.com).

**2007:** Domino's rolls out online and mobile ordering.

**2013:** Domino's launches Pizza Profiles on dominos.com.

**2019:** Domino's launches the Points for Pies campaign and celebrates the love of all pizza by giving away rewards points for any pizza.

**2020:** Domino's awards an investment totaling more than \$9.6 million.

## 3. BUSINESS MODEL

The business model is finished in an eccentric way of strategy. The business model is straightforward: they handcraft and serve quality food at a competitive price, with easy ordering access and efficient service which are aided by our technology innovations. Their dough is mostly made fresh and distributed to stores around the world by us and our franchisees.

## 4. SALES MODEL

- ✓ Take away and deliveries is the Sales Model of Dominos, deliveries accounting for about 70 percent of their business. Hence their main focus into acquiring retain and increasing the worth of their customers.
- ✓ Reduced operating expenses so as to retain increased profitability. Consumers' purchasing power was drastically weakened as many individuals contemplated spending their little throwaway income on basic necessities only.

## 5. FACT OF THE CASE

With over 18,000 stores in over 90 markets, Domino's is the world's largest pizza restaurant chain in terms of global retail sales. Tom Monaghan and his brother James Monaghan started Domino's Pizza in Michigan in the 1960s as Dominick's. During 2009, the loss came thereafter backup with certain days. Then Domino's Pizza has performed so well that its stock price has gone by 2000 percent and it is has outperformed even giant companies like Amazon, Apple, Netflix, and Goggle even Alphabet. Domino's has worked satisfaction of consumers till now. Domestic supply generates 50 percent of the company's total revenue. Few company stores are the next high income generating segment considering that the company only reported the royalty and advertising fee it is collecting fee franchisees. In between Domino's Pizza faced innumerable criticisms and challenges in the taste and quality of the Pizza.

## 6. REVIEW OF LITERATURE

The most basic element of Domino's marketing mix relies on the considerate of the requirements and needs of the customer. They recognize that the customer wants the proper pizza delivered to their door within a brief period of the person's time and while still hot. Families are now defined by rather more than a father, mother, and two children; more members of the family work full-time. For these reasons and other cultural shifts, there has been a move toward consumer demand for fast, easy, and ready foods. The core benefit sought from this mixture of pizza product and delivery service is convenience, which Domino's has recognized and strives to produce for the purchases. Jagwinder singh & Goyal (2008) identified that rural consumers were found more impressed by the foreign products as compared to the urban peoples because rural people thinks that foreign products are of fine quality, an indication of prestige, and a good choice of models found and a large choice of models they found there and concrete people are very price-conscious and always make a choice after analyzing the merchandise. So, in keeping with the article; Indian producers within the coming times are visiting face an awfully strong threat from foreign brands, particularly within the consumer durable category because India is one amongst the foremost promising & fastest growing economy of the globe, and in India, there's an enormous potential of rural peoples. Domino's and other fast-food providers are increasingly recognizing the necessity to produce outstanding customer service add to the food products so as to create a loyal and satisfied customer base. This implies that Domino's employees must provide a pleasing experience for patrons and demonstrate their willingness to exceed expectations if Domino's is to be a distinguished pizza delivery company. This shows the expectation that employees are patient, polite, and treat customers with respect refers to the service quality. This is often the particular service delivery and also the company must recognize and shut the gap between the delivery and repair quality specifications so the perceived service provision meets the expected service.

## 7. NEED FOR THE STUDY

Domino's is known for their best services. Domino's Pizza constantly strives to develop products that suit the tastes of its consumers and hence delighting them. Since its inception in 1960, Domino's has proven to be a successful company. The decline in the economy, combined with people becoming more health-conscious, posed a threat to them; forcing Domino's to shift toward healthier options. However, by expanding internationally, Domino's has demonstrated that they are still competitive. Their international sales have been a significant contributor to their profitability. They, like any other business, face internationalization challenges such as different preferences and menu items. Domino's is working hard to expand further into India and other countries, making it much more difficult for other companies to follow in their footsteps. Domino's is attempting to stay ahead of its competitors, Pizza Hut, McDonald's, and Papa John's. With the pizza industry becoming more popular, Domino's continues to look promising in the future. And, with the strong brand image that Domino's has developed over the years, the company is attempting to maintain its dominance in the pizza industry adopting quality upliftment by eradicating the challenges that it faces. This study aims that without reducing the reputation how the company satisfies the customers' needs.

## 8. OBJECTIVE

- To identify the problem faced by the consumers of Domino's Pizza
- To analyse how customers' satisfaction affects the reputation of the company

## 9. HYPOTHESIS

- There is a strong relationship between customers' satisfaction and reputation of the company

## 10. ISSUES OF THE CASE

- What problem identified in Domino's Pizza?
- In which part was identified as a hinder, Product or Process?
- What did make to decline the company's profit?
- What about the Customers' reaction when they face the problem
- Was the problem solved? If yes, How Domino's improve its business performance?
- What strategy adopted to rectify the problem?
- What are the outcome of the study?

## 11. DISCUSSION

### ➤ What problem identified in Domino's Pizza?

Domino's Pizza faced innumerable criticisms including claims like "The sauce tastes like ketchup" and "The crust tasted like cardboard". They realized that it is a major difficulty and decided to stopover pizza recipe.

### ➤ In which part was identified as a hinder, Product or Process?

The situation is incredibly delicate, the stock price of Domino's was already hitting a the lowest, the American economy was still recovering from the 2008 crisis and through now Domino's as a publicly listed company was already walking on a really tight top. Domino's opted for the foremost lethal weapon in advertising that no-one ever dares to use. Especially when the corporate is failing. And this weapon was brutal honesty.

### ➤ What did make to decline the company's profit?

When the brand image of Domino's was completely down the drain. The stock was selling at a rock bottom price of just \$6 per share, the store sales were going down drastically and Domino's ranked last in the consumer brand preference survey. All of these things made it very clear that Domino's was failing real bad.

### ➤ What about the Customers' reaction when they face the problem?

Customers were highly dissatisfied with the complaints of taste and aroma and started to blame and cased to buy the products.

### ➤ Was the problem solved? If yes, How Domino's improve its business performance?

Yes. Domino's reinvented their recipe. In fact, they called upon actually disappointed customers and got them to taste the pizza to offer them feedback. And it absolutely was perhaps the foremost difficult day at work because everyone who walked in precisely put out some brutal phrases and told them how pathetic their pizzas were. But the team of Domino's hear them very patiently and took notes diligently. For the subsequent 18 months, every single chef of Domino's worked on a daily basis on each day out without taking a weekend off. Just to undertake every possible combination of ingredients to form the most effective pizzas they possibly can. And that they gave the new shape and modified their product from top to bottom. The company's supply chain itself was compromised.

### ➤ What strategy adopted to rectify the problem?

Domino's highlighted the criticisms in a national advertisement and guaranteed to do better. By 2010, Domino's finished their pizza turnaround and revamped their entire pie from the crust up, and showed the importance of customers and their feedback for them. They tried a lot of different sauces, cheeses, and dough's in order to look up their pizzas and came up with a brand new taste.

### ➤ What are the outcome of the study?

Although their fame is extraordinary they faced a lot of challenges and did not always have the best status. Then Domino's highlighted the criticisms in a national advertisement and guaranteed to do better. By 2010, Domino's finished their pizza turnaround and revamped their entire pie from the crust up, and showed the importance of customers and their feedback for them. They tried a lot of different sauces, cheeses, and doughs in order to look up their pizzas and came up with a brand new taste.

### 12. HYPOTHESIS PROVEN

#### *There is a strong relationship between customers' satisfaction and reputation of the company*

The Domino Pizza company's main motto is to satisfy their customers. Therefore, when they received the complaints, immediately they had reacted and rectified the issues with a new solution. It add goodwill to the company. Therefore, the hypothesis "*there is a strong relationship between customers' satisfaction and reputation of the company*" is proved.

### CONCLUSION

One of the important marketing strategies is to attain customers' satisfaction from the producers' and suppliers' sides. Domino Pizza is the company that spreads over the world countries and is reputed from children to aged persons. The company is highly focused on a reputation for that they keep on doing many innovative tactics in production, sales, etc, they try to fill the consumers' expectations by providing high quality and variety of products and also receive feedback frequently and meeting the customers to ask about the satisfaction of their product. The prime motto of Domino Pizza is satisfying the consumers' needs. The company maintains its reputation by fulfilling the customer needs in the form of serving quality products, experience and staff enthusiasm, and dedication to serving customer needs.

### SUGGESTIONS

Moreover wide acceptance of social media now a day has got lots of benefits for the organization and various brand promotions. At the same time, a small mistake or irrelevant or unacceptable post can even be disastrous for the brand. Therefore cautious management of the services is a must.

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