

Module Name: Problem Solving and Decision Making

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Assignment 2: Green Haven Florist Report

Green Haven Florists: Strategic Business Recovery Plan

Abstract

This report addresses Green Haven Florists' 30% sales decline by analyzing root causes, proposing two solutions—e-commerce and experiential retail—and recommending experiential retail as the optimal strategy. A detailed 12-month implementation plan with risk mitigation and KPIs is provided to restore profitability while leveraging the shop's community strengths and sustainability focus [1].

Introduction

Green Haven Florists, founded in 2016 by Liam and Priya Patel in Norwich, UK, specializes in bespoke flower arrangements using eco-friendly materials. Despite strong community ties, in-store sales declined 30% over 12 months while online orders grew minimally. This report diagnoses the problem, evaluates solutions, selects the superior strategy, and outlines execution with measurement.

Brief Explanation of the Problem

The core issue is a 30% in-store sales decline amid stagnant online growth. Root causes include: declining high street footfall; rising import costs for premium flowers; premium pricing for sustainable packaging; outdated website and weak social media; new competitors with strong digital presence; and customer preference for convenient online retailers. External economic pressures compound internal digital gaps, requiring a hybrid solution [1].

Solution 1: E-Commerce and Digital Strategy

Build a user-friendly website with e-commerce, enhance Instagram/Facebook presence, launch weekly/monthly flower subscriptions, partner for same-day delivery, and invest in targeted digital advertising [2]. This approach reaches beyond Norwich but requires significant upfront investment (£10,000+) and intense competition with established national retailers [1].

Solution 2: Experiential Retail Strategy

Transform the shop into a community hub with flower arrangement classes (£35-50/session), seasonal events, corporate packages (office florals, event decoration), sustainability storytelling, and expanded merchandise. This approach differentiates through irreplaceable in-person experiences that online competitors cannot replicate [1] [3]

Evaluation of Solution 1

Strengths: Broadens geographic reach; low marginal costs; scalable; aligns with online trends.

Weaknesses: High upfront costs; intense competition from established players; requires marketing expertise; risks cannibalizing in-store traffic; uncertain differentiation in saturated markets [1] [4]

Evaluation of Solution 2

Strengths: Leverages existing assets (location, loyalty); premium pricing offsets costs; builds loyalty; multiple revenue streams; hard to replicate.

Weaknesses: Geographically limited; requires staff training; space constraints; initial setup costs (£4,000).

Overall: Superior fit for Green Haven's values with sustainable competitive advantage. [1] [4].

Comparing the Two Solutions

Point	Solution 1: Online	Solution 2: Experience Shop
Positives	• Reaches more customers outside Norwich • Uses online tools like big companies • Lower cost for each sale • Can grow to bigger size	• Uses the shop location already there • Creates difference that online shops cannot copy • Customers stay loyal and pay more • Customers love sustainable business stories
Negatives	• High cost to build website and social media • Still fights with big online companies • Takes a lot of work and money to advertise • Customers might not know about the shop	• Costs money to set up classes and events • Works only in Norwich area • Needs more staff • Depends on people coming to the shop
Interesting	• Success depends on good marketing • Might pull customers away from the shop • Many online flower companies already exist	• More people want experiences and local shops • Customers see the shop as lifestyle brand, not just shop • Makes money in many ways (classes, events, businesses)

Result of comparison:

Solution 1 tries to fight with big online companies. Solution 2 uses what makes Green Haven special. Solution 2 is better because it uses the shop's strengths (location, community, sustainability story) and makes things that online shops cannot do.

Appropriate Solution

Experiential Retail (Solution 2) recommended. Benefits:

- (1) Capitalizes on physical assets rivals lack
- (2) Reinforces sustainability ethos for premium pricing
- (3) Fosters loyalty (65% repeat rate target)
- (4) Diversifies income (15-20% growth)
- (5) Shields against competitors
- (6) Lower risk
- (7) Complements light digital promotion.

This restores sales while enhancing brand equity [1][4].

Risk Analysis

Risk	What could happen	How to stop it
Market risk	Few people want to come to classes	Start with small free classes; ask customers what they want first
Staff risk	Workers do not know how to teach classes	Train staff; hire experienced person part-time
Money risk	Costs too much to start	Spread costs over 12 months; start slow with one class per week
Space risk	Shop is too small for classes	Use the shop creatively; limit number of people per class
Quality risk	Bad classes hurt the reputation	Check quality; ask customers for feedback
Competition risk	Other shops copy this idea	Focus on local story and sustainability - hard to copy
Economy risk	People do not spend money on classes in bad economy	Offer cheap classes; bundle classes with flowers

Implementation Plan

Step & Timeframe	What to Do	What to Finish (Outputs)
Step 1: Prepare and Research (Months 1–2)	- Ask customers what classes and events they want. - Study what other flower shops offer. - Plan class levels (easy, middle, hard). - Plan how to use the shop space. - Make a budget.	- Customer survey results. - Class plan. - Budget plan. - Staff training plan.

	- Check if staff need training.	
Step 2: Build the Foundation (Months 2–4)	- Rearrange shop to make class space. - Update website with classes and events. - Create Instagram and Facebook plan. - Set prices (£35–50 per class). - Build an online booking system. - Hire/train class instructor. - Write service descriptions for companies.	- Shop space ready. - Updated website. - Social media plan ready. - Prices confirmed. - Booking system live.
Step 3: Test with Small Groups (Months 4–6)	- Run one beginner class per week. - Host one monthly special event. - Start talking to businesses about services. - Collect customer feedback. - Track attendance and payments. - Improve classes if needed.	- 12 classes completed. - First monthly event delivered. - Attendance and income recorded. - Customer feedback collected.
Step 4: Grow the Business (Months 6–12)	- Run 2–3 classes per week (based on demand). - Launch flower box subscription. - Sign contracts with business clients. - Host seasonal events. - Advertise via email and social media. - Create branded items (bags, labels).	- Regular 2–3 weekly classes. - Business contracts signed. - Subscription customers onboard. - Increased diverse income streams.

Effective Measurement: How to Check If It Works

Numbers to Measure (KPIs) [11]

What to measure	Target goal	How to measure	When to check
Class attendance	75% of spots filled by month 6	Count bookings	Every month
Money from classes	£3,000 per month by month 6	Check business accounts	Every month
Customer satisfaction	4.5 stars out of 5	Ask customers after class	Every month
Total shop sales	Stop dropping, then grow	Check shop computer	Every month
Customers return	65% come back in year 1	Check who comes back	Every 3 months
Business customers	£2,000 per month by year end	Track contracts	Every 3 months
Social media followers	30% more followers	Check Instagram/Facebook	Every month
Customer happiness score	50 or higher	Ask customers questions	Every 3 months

Conclusion

Green Haven Florists' 30% sales decline results from digital disruption, economic pressures, and shifting consumer behaviours toward online convenience, trends widely documented across the industry [6] Rising input costs and new competitors further compound this challenge, reflecting broader patterns seen in post-pandemic small-business strain [13]

However, the recommended Experiential Retail strategy uniquely leverages the shop's irreplaceable community strengths—local relationships, sustainability ethos, and physical presence—that online giants cannot replicate, aligning with proven industry shifts toward experience-based purchasing [6] [10]. This comprehensive £15,000, 12-month implementation plan, structured across four phased stages with clear milestones, delivers enhanced customer loyalty through memorable classes and events, revenue diversification across multiple streams (classes 40%, corporate services 30%, retail 30%), and restored profitability with projected 15–20% growth by year-end, consistent with performance improvements seen in similar florist case studies [9] [11].

Rigorous risk mitigation through pilot testing, customer feedback loops, and contingency planning minimises uncertainties, while precise KPI monitoring ensures adaptability. Consistent, disciplined execution by Liam and Priya—staying true to their founding values of personal service, community connection, and environmental responsibility—will

not only reverse the decline but position Green Haven as a thriving local institution and resilient competitor in the evolving retail landscape [8].

References

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