

Module: Problem Solving and Decision Making

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Individual Report

Basil's Bakery

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Introduction

Reduced foot traffic following the COVID pandemic, altered consumer habits and the increase in operating costs after the COVID pandemic have taken a toll on the business of Basil's Bakery. This report looks at the main problems that are impacting the business, and assesses the possible solutions that can help to boost performance. It also evaluates the preferred solution by conducting risk analysis, planning for implementation and measuring performance in order to ensure long-term business sustainability.

1. Overview of the Case Study and Nature of the Problem

Basil's Bakery is a small, independent, artisan bakery opened in 2015 in a retail park in Coventry, UK. The business established a good reputation for selling good quality organic breads, cakes and pastries, and became a draw card for customers, retail employees and people who worked nearby (Melesse and Orrù, 2025). The bakery has been struggling, however, since the pandemic with decreasing foot traffic and sales. Restrictions were lifted, however, with changing customer habits, increased remote working, closures and economic uncertainty, customer numbers failed to reach their former levels prior to 2020 (Wang *et al.*, 2025). At the same time, expenses such as rent, utilities, and insurance and organic ingredient costs have all risen substantially, leading to decreased profitability and jeopardizing the long-term viability of the business (Ponte and Sergi, 2024).

2. Proposed Solutions

Solution 1: Introduce an Online Ordering and Local Delivery Service

The first possibility that is proposed is an online ordering system and a local delivery system. The orders will be made on a website or mobile app and customers can collect or have them delivered the same day or on the next day (Thanigan *et al.*, 2025). To not add to the workforce, initial delivery may be outsourced to local courier companies or food delivery app.

This solution will help Basil's Bakery reach some of their previous customers, who now work from home or don't go to the retail park as often as before. It would also bring in new homes, or further develop the existing neighborhood, in the immediate vicinity. Ease of use, better customer

satisfaction and sales volume without necessarily depending on walk-in customers would be realized by the online ordering system.

Solution 2: Introduce a Digital Pre-Order and Click-and-Collect System (Selected Solution)

The second is to use a digital pre-order, click and collect system. Customers were able to place an online order before coming to the bakery and choose a time of collection for the products (Ponte and Sergi, 2024). This would minimize the time Basil has to wait while waiting on phone calls, and would also eliminate the need for Basil to wait while he bakes.

The system would enhance the efficiency of the operation because the production schedule would be more accurately planned based on customer needs. This will also reduce the number of sales missed as a result of long queues and out of stock products (Vyt *et al.*, 2022). It is more of a practical solution for a small, independent bakery, as it involves less investment, operational change and continuous management when compared with a delivery service (Qi, Wang and Song, 2022).

3. Risk Analysis of the Selected Solution

3a. Risk Analysis

While there are many advantages to implementing a digital pre-order and click and collect system, there are also a few risks to consider. While the start-up cost for a website or online ordering system could be a strain on the bakery's budget, it will be worth the expense in the end (Thanigan *et al.*, 2025). There will be a period of adjustment for employees and customers with regard to the new technology. Site failures and system errors in payment options can cause problems and compromise consumer confidence. The potential for a low increase in demand also exists and may not warrant implementation costs (Witriyan, Emelda and Safar, 2025). Additionally, if order collection timing is not managed properly, there can be a congestion problem within the bakery during the peak trading time.

3b. Feasibility of the Selected Solution

The proposed solution is still very viable, even in the face of the risks identified, as it entails a relatively minimal capital investment as compared to a full delivery operation. There are many

low-cost online ordering systems that are tailored for small businesses and have minimal technical requirements (Melesse and Orrù, 2025). Digital ordering is becoming increasingly popular, increasing the likelihood of adoption. The click-and-collect model also enables Basil to keep his product fresh as the products are collected directly from the bakery without being transported (Ponte and Sergi, 2024). Overall, the operation benefits, the convenience to the customers and the opportunity to boost sales is more prominent than the identified risks make it seem, therefore this solution is feasible and viable.

4. Implementation Plan

4a. Implementation Plan Table

Activity	Timeframe	Responsibility
Evaluate suitable online ordering software	Week 1	Basil
Select supplier and purchase software	Week 2	Basil
Design online product catalogue with prices and collection times	Week 2–3	Basil
Install ordering platform and payment system	Week 3	Software provider
Test ordering process and payment functionality	Week 4	Basil and software provider
Train bakery staff on order management procedures	Week 4	Basil
Launch marketing campaign through social media, posters and customer emails	Week 5	Basil
Officially introduce click-and-collect service	Week 5	Basil
Monitor customer feedback and system performance	Weeks 6–12	Basil
Review sales performance and modify ordering process if required	End of Month 3	Basil

The first step in implementing is to go and find a secure platform for digital ordering that works well and fits the bakery's needs and budget. After installing products, they need to be uploaded with accurate pricing and collection times. Testing should confirm that payments and notifications about orders work correctly prior to going public (Thanigan *et al.*, 2025). Training the staff to manage online orders alongside normal bakery business. Promotional activities should be conducted via social media, posters and in-store advertising to get customers to understand the product (Melesse and Orrù, 2025). Guided by continuous monitoring, operational problems, and customer concerns should be identified and improvements can be implemented rapidly.

4b. Justification of the Implementation Plan

The activities have been sequenced so as to minimize disruption to normal business operations. Choosing the software prior to staff training will help the staff get up and running with the correct system from the start. Testing before launch will minimize the risk of technical issues impacting the customer. Marketing activities are planned right before implementation, maximising customer's awareness (Sungu and Ucel, 2026). Since Basil has insightful information on the business and customer needs, he should personally oversee the project. Monitoring of the first three months will enable changes to be made in response to customer feedback, ensuring the solution is implemented efficiently to meet its goals.

5. Key Performance Indicator (KPI)

5a. Selected KPI

The most relevant Key Performance Indicator (KPI) for measuring the success of the chosen solution is the amount of weekly online pre-orders. This metric directly reflects the number of customers using the click and collect service and gauges if the new service is creating new demand. An increase in online orders by about 20-30% in the first three months of the year could be set. It also helps to identify the seasonality of the items and peak ordering periods and the behaviour of customers to purchase items (Vyt *et al.*, 2022). The KPI is easy to track with the bakery's online ordering system and has accurate performance information.

5b. Monitoring and Evaluation of the KPI

The ordering system should generate weekly reports and these should be compared against the predetermined performance targets. The more people order online, the more they appreciate the convenience this new service provides them and the shorter the wait (Melesse and Orrù, 2025). In the event that online orders are not high, perhaps you could discover constraints with your site's usability or customer awareness through customer surveys. It is also recommended that the KPI should be analyzed with the sales revenue and Customer feedback to get a wide view of the business performance (Thanigan *et al.*, 2025). Evaluation on a regular basis helps Basil to decide on promotion activities, product availability and future improvements in his business.

6. Summary of Key findings

The analysis is conclusive that Basil's Bakery has lost a lot of sales due to less onsite working, less customers coming into the bakery and the closure of retail stores inside the shopping park. Meanwhile, operating expenses have also mounted, putting the company in financial strain. A local delivery service might be possible and could draw in new customers but would need more investment and changes. So, the most feasible solution is to have a digital pre-order and click and collect system which is cost-effective and customer-friendly. When implemented with a structured plan, manageable risks, regular monitoring of performance via weekly online pre-orders and customer feedback, the bakery can optimize the process, boost their sales and improve their long term sustainability.

Conclusion

The report recommends that the implementation of a digital pre-order and click-and-collect system is the most suitable solution for Basil's Bakery. The proposed approach makes the business more convenient for the customer, makes the business more efficient and requires relatively low investment. When implemented effectively, using an appropriate KPI as a risk management tool and making it part of the bakery's regular monitoring process, the bakery will be able to boost sales, improve customer satisfaction, and enhance its long-term sustainability.

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