

Module Title: Problem Solving and Decision Making

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Introduction

The report analyses the challenges faced by Green Haven Florists , a small, independent flower shop in Green Norwich.Uk, that is facing significant financial difficulties due to a decline in revenue reduced foot traffic and high operational costs. Founded in 2016 by partner Liam and Priya Patel with a reputation for sustainability and bespoke arrangement, the business now struggle against increased competition from online delivery service.

Brief Explanation of the Specific Business Problem

The core issue facing Green Haven Florists is a dual crisis of declining physical foot traffic and a weak digital presence, leading to a 30% drop in in-store sales over the last year. This is exacerbated by rising operational costs, driven by inflation and the high price of ethical, sustainable materials which are squeezing profit margins. Furthermore, the business is failing to compete with modern market entrants, including a trendy local boutique with strong social media engagement and a national chain offering lower prices and superior delivery convenience.

Consequently, the shop's outdated website and lack of flexible service [like subscription] have created a disconnect between their high-quality product and the modern consumer's need for digital ease.

Suggested Two Alternative Solutions

Solution A

- Solution 1: Digital Transformation and E-commerce Optimization

This involves a complete overhaul of the existing website to create a mobile-friendly, intuitive e-commerce platform. It would include a streamlined checkout process, integrated SEO, and a subscription-based "Eco-Bloom" service. By improving digital user experience, Green Haven can directly compete with national chains, turning their slight increase in online interest into a high-conversion revenue stream.

- Solution 2: Experiential In-Store Diversification (Workshops and Events)

This solution focuses on revitalizing the physical shop by hosting evening floral design workshops and "Sustainable Floristry" classes. By transforming the shop into a community hub for creativity, the business can generate a secondary income stream that does not rely on passive foot traffic. This builds brand loyalty and creates an "Instagram able" experience that differentiates the shop from generic online retailers.

PMI Technique is a creative thinking and evaluation tool developed by "Edward de Bono, it is used to critically assess the two proposed solution (Digital transformation vs Experiential workshops).

Evaluation of solution (PMI Technique)

Solution	Plus (+)	Minus (-)	Interesting (?)
1. Digital Transformation	Scalable; reaches customers 24/7; automates recurring revenue via subscriptions.	High initial technical cost; requires ongoing digital marketing effort.	Could allow for local delivery partnerships with other Norwich small businesses.
2. In-Store Workshops	High profit margins; leverages the "personal touch"; builds community.	Limited by physical space; requires Liam/Priya's time; doesn't solve web issues.	Could lead to lucrative corporate - building partnership

Selection of Preferred Solution

The Digital Transformation and E-commerce Optimisation is the preferred solution. While workshops offer high engagement, they do not address the fundamental shift in consumer behaviour toward online convenience. A robust website directly tackles the 30% decline in sales by capturing the growing online market. By integrating a subscription model, Green Haven ensures predictable cash flow and provides the "flexibility" customers explicitly requested in recent feedback, making it the most sustainable long-term growth strategy.

Risk	Impact	Probability	Mitigation Strategy
Technical Failure: Website crashes or payment gateway fails.	High	Low	Use a reputable platform (e.g., Shopify) and hire a professional developer for setup.
Low Traffic: New site exists but no one visits.	Medium	Medium	Allocate a budget for targeted local SEO and Google/Instagram Ads.
Logistics Strain: Inability to meet increased delivery demand.	High	Medium	Partner with a local eco-friendly courier service (e.g., bicycle couriers) in Norwich.

Result of Risk Analysis

The risk analysis indicates that while technical and visibility risks exist, they are manageable through proper investment and strategic partnerships. The highest risk is the "Logistics Strain," which could damage the brand's reputation for quality. However, by phasing the rollout and utilizing local couriers, Green Haven can maintain its sustainable ethos while scaling. Overall, the risks are outweighed by the necessity of digital modernisation to prevent total business failure.

Implementation plan that provides guidance into how to implement the selected solution

Phase	Activity	Timing	Responsibility
1. Discovery	Hire developer; audit current customer data.	Weeks 1-2	Liam & Priya
2. Development	Design new UI/UX; integrate subscription module.	Weeks 3-8	External Developer
3. Content	Professional photography of arrangements; SEO copywriting.	Weeks 5-7	Priya & Photographer
4. Testing	Beta testing with loyal customers for feedback.	Week 9	Liam
5. Launch	Official "Go-Live" with social media campaign.	Week 10	Liam & Priya

The 10-week timeline is designed to be aggressive yet realistic, ensuring the shop doesn't lose another quarter of revenue. Responsibility is split Priya focuses on the creative "brand" elements (content/photography), while Liam manages the operational and technical oversight. The "Discovery" phase is crucial to ensure the new site fixes specific user pain points identified in feedback. Testing with loyal customers ensures that the "personal touch" of Green Haven is not lost in the transition to a digital-first model.

Appendix 4: KPI and SMART Objectives

Key Performance Indicator (KPI): Online Conversion Rate (The percentage of website visitors who complete a purchase).

SMART Criteria	Detail
Specific	Increase the online conversion rate and total online sales volume.
Measurable	Achieve a 2.5% conversion rate and a 40% increase in monthly online revenue.
Achievable	Based on industry standards for boutique e-commerce after a professional redesign.
Relevant	Directly compensates for the 30% loss in high-street foot traffic.
Time-bound	To be achieved within 6 months of the new website launch.

Monitoring and Evaluation

These metrics will be monitored monthly via Google Analytics and the website's backend dashboard. By tracking the conversion rate, Liam and Priya can determine if the new user interface is successfully turning "browsers" into "buyers." If the revenue target isn't met by month three, the SMART framework allows them to identify whether the issue is "Traffic" (needing more ads) or "Experience" (needing better design). This data-driven approach removes guesswork from their marketing strategy.

Summary of Key Findings

-Urgency: Green Haven faces a 30% sales drop; immediate action is required to offset high-street decline.

-Digital Gap: The current website is a major barrier to growth and fails to meet customer expectations for convenience.

-Proposed Strategy: Digital Transformation is the most feasible solution to scale - revenue and implement a subscription model.

-Subscription Viability: A subscription model offers a strategic buffer against rising supply chain costs.

-Competitive Edge: Modernising the web presence while maintaining "eco-friendly" values allows Green Haven to outcompete national chains on quality.

-Sustainability: Financial recovery depends on balancing rising operational costs with higher-volume, automated online sales.

Conclusion

Green Haven Florists is at a crossroads where its traditional retail model is no longer sufficient. By embracing a digital-first strategy through a revamped website and a subscription-based revenue model, Liam and Priya can honour their sustainable roots while meeting the demands of the modern consumer. This strategic pivot not only addresses the current revenue decline but builds a resilient, scalable foundation for the future in Norwich's competitive floral market.

References List

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