

**MODULE TITLE: Problem Solving and Decision
Making**
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Introduction

Green Haven Florists is a small independent flower shop located in Norwich, UK, founded in 2016. The business quickly built a strong reputation for its bespoke floral arrangements, eco-friendly packaging, and strong community relationships. It serves a wide range of customers, including walk-in clients, corporate customers, and wedding events. However, the retail environment has changed significantly in recent years due to increased competition and the growth of online shopping. This report examines the challenges currently facing Green Haven Florists and proposes solutions to improve its performance, particularly focusing on increasing sales and adapting to changing consumer behaviour.

Brief Explanation of the Specific Business Problem

Green Haven Florists is currently experiencing a decline in performance, with in-store sales falling by approximately 30% over the past year. Although online sales have slightly increased, this has not been enough to compensate for the reduction in foot traffic. A key reason for this decline is the shift in consumer behaviour, with many customers now preferring the convenience, lower prices, and fast delivery options offered by large online flower retailers.

In addition, the business is facing rising operational costs. The price of fresh flowers, especially imported varieties such as orchids and tulips, has increased due to inflation and supply chain disruptions. Green Haven's commitment to sustainability, including biodegradable packaging and locally sourced flowers, has also increased expenses.

Customer feedback suggests that the business's website is outdated and difficult to use, and customers would like more flexible delivery options and subscription services. Furthermore, competition has increased with the entry of a boutique florist with a strong social media presence and a national chain offering competitive pricing. These factors highlight the need for Green Haven to modernise its operations.

Suggested Two Alternative Solutions

Solution A

Solution A involves implementing a digital transformation strategy by developing a modern e-commerce website and improving digital marketing. The new website would be user-friendly, mobile-optimised, and include features such as online ordering, delivery options, and subscription services. In addition, digital marketing strategies such as social media advertising, email campaigns, and search engine optimisation would be used to increase visibility and attract customers.

PMI Analysis:

Plus: Increases online sales, improves customer experience, expands market reach

Minus: Requires initial investment, ongoing maintenance, and staff training

Interesting: Provides opportunities for subscription services and long-term customer loyalty

This solution addresses the lack of digital presence and aligns with current consumer trends.

Solution B

Solution B focuses on enhancing the in-store experience and strengthening brand identity. This includes offering workshops such as flower arranging classes, introducing loyalty programmes, partnering with local businesses, and promoting the shop's eco-friendly values. The business could also provide personalised services and exclusive products to differentiate itself from competitors.

PMI Analysis:

Plus: Builds customer loyalty, strengthens brand identity, enhances community engagement

Minus: Limited reach, depends on local foot traffic

Interesting: Positions the business as a premium and experience-based florist

This solution builds on existing strengths but may not fully address declining sales.

Justification for Selected Solution

Solution A is the most appropriate option as it directly addresses the main cause of declining sales, which is the shift towards online shopping. While Solution B improves the in-store experience, it does not significantly expand market reach. Solution A enables Green Haven to compete effectively with online retailers by improving accessibility and convenience. The decision prioritises long-term growth, scalability, and increased revenue. By enhancing its digital presence, the business can attract new customers while retaining existing ones, making this solution more sustainable and impactful.

Risk Analysis of the Selected Solution

Risk Analysis Table

Risk Likelihood Impact Mitigation

High initial cost Medium High Use phased investment

Lack of digital skills High Medium Provide training or outsource

Low customer adoption Medium Medium Use marketing campaigns

Technical issues Low High Use reliable developers

High competition High Medium Differentiate brand

Explanation of Risk Analysis

The selected solution involves some risks, particularly financial costs and the need for digital skills. However, these risks can be managed through proper planning and support. Training staff or outsourcing reduces technical challenges, while phased investment helps control costs. Although competition is strong, Green Haven can differentiate itself through its sustainability and quality. Overall, the benefits of increased sales and improved competitiveness outweigh the risks.

Plan to Implement the Selected Solution

Implementation Plan

Month 1: Conduct research and define website requirements

Month 2–3: Develop the e-commerce website

Month 3: Train staff

Month 4: Launch website with promotions

Ongoing: Digital marketing and performance monitoring

Justification of Implementation Plan

The implementation plan follows a logical order, starting with research to ensure the solution meets customer needs. Website development is completed before launching marketing activities to ensure readiness. Staff training ensures smooth operations. The phased approach helps manage costs and

reduces risks. Continuous monitoring allows the business to adapt and improve performance over time.

Means of Measuring Effectiveness of Implementation

KPI and SMART Objectives

KPI: Increase online sales revenue

Specific: Improve online sales through a new website

Measurable: 25% increase in online sales

Achievable: Through improved user experience and marketing

Relevant: Addresses declining sales

Time-bound: Within 6 months

Use of Metrics

The effectiveness of the solution will be measured using online sales data and website analytics. Metrics such as website traffic, conversion rates, and customer behaviour will be monitored. Comparing performance before and after implementation will help determine success. Adjustments can be made if targets are not achieved, ensuring continuous improvement.

Conclusion

Green Haven Florists is facing declining sales, rising costs, and increased competition. The main issue is the shift towards online shopping. Two solutions were considered, with digital transformation identified as the most effective. This approach improves accessibility, increases sales potential, and supports long-term growth. Although there are risks, they can be managed through planning and investment. With a clear implementation plan and measurable objectives, this solution will help Green Haven remain competitive and sustainable.

Reference List

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