

GREEN HAVEN FLORISTS

Business Consultancy Report

Digital Transformation as a Strategic Solution

Module: Problem Solving and Decision Making

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Table of Contents

Contents

Table of Contents	2
1. Introduction	3
2. Business Problem Overview	3
3. Two Proposed Solutions	3
Solution A: Digital Transformation and E-Commerce Development	3
Solution B: In-Store Experience Enhancement and Subscription Box Service	4
4. Justification for Selected Solution	4
5. Risk Analysis of Selected Solution	5
6. Plan to Implement the Selected Solution	5
7. KPIs and SMART Objectives	5
8. Conclusion – Key Findings	6
Reference List	7
Appendix 1 – PMI Analysis Table	8
Appendix 2 – Risk Analysis Table	8
Appendix 3 – Implementation Plan	9
Appendix 4 – KPI and SMART Objectives	10
Appendix 5 – Revenue Trend Chart (Figure 1)	10

1. Introduction

This is a business consultancy report commissioned by Green Haven Florists which is a small independent floral business in Norwich, UK. This report is aimed at discussing the particular issues the business has, suggesting two possible solutions, and advising the most suitable way of action. Throughout, key decision-making frameworks, such as a Plus, Minus, Interesting (PMI) analysis, risk analysis, an implementation plan, and Key Performance Indicators (KPIs) will be used. Paton and McCalman (2021) argue that to solve any problem effectively, one needs to have a systematic analysis to balance the evidence with a practical setting, and this is the foundation of the methodology of this report.

2. Business Problem Overview

Green Haven Florists is a company started by Liam and Priya Patel in 2016 and during the last twelve months, their in-store sales have decreased by 30 percent. A set of structural and operational issues have negatively impacted the business: the loss of business to high-street footfall because of the shutdown of neighboring businesses, skyrocketing costs of imported flowers because of the supply chain disruption, increased competition on online retailers and a new boutique player with a high social media presence, and an old-fashioned web site that makes the customer experience harder (CharteredInstituteofProcurement According to Kotler et al. (2022), the company is convinced that small businesses that do not incorporate digital channels may lose a considerable portion of the market share. Despite the fact that the sustainable ethos and customised services are still appreciated by the customers, Green Haven has never exploited digital marketing and e-commerce, which prevents the restoration of revenues. There is thus a need to have a strategic intervention in order to enhance the performance both online and in-store.

The graph in figure 1 below (Appendix 5), shows the projected revenue trend of Green Haven Florists between 2021 and the estimated recovery situation in 2025.

3. Two Proposed Solutions

Solution A: Digital Transformation and E-Commerce Development

Solution A is an all-digital transformation: redesigning the website to incorporate an online shopping feature, implementing specific social media promotions, and implementing same-day delivery within the city. Chaffey and Ellis-Chadwick (2022) argue that the most effective strategy by small retailers is to have an optimised digital presence which will serve to offset the drop in in-store sales. A Shopify platform would enable Green Haven to take orders, handle inventory, and access eco-conscious customers in the country. The PMI analysis (Appendix 1) shows that the main plus is increased market penetration; the main minus is initial development cost; and one of the opportunities is to use the sustainability credentials of Green Haven to sell to a niche premium market (De Bono, 1985, cited in MindTools, 2023).

Solution B: In-Store Experience Enhancement and Subscription Box Service

Solution B looks at revitalising the physical store by conducting workshops, in store events and offering a monthly floral subscription box service. According to Pine and Gilmore (2011, cited in Verhof et al., 2021), the role of experiential retail in customer loyalty is increasingly becoming important. The subscription model would create a recurring revenue that is predictable and enhance community engagement. According to the PMI analysis (Appendix 1), better customer retention can be seen as a plus, less geographical scalability can be seen as a minus, and the increasing subscription economy can be regarded as an interesting contextual trend (McKinsey and Company, 2022).

4. Justification for Selected Solution

After the PMI analysis (Appendix 1), Solution A - Digital Transformation - is the one to be chosen. Although Solution B makes sense, it is inherently limited in scale by physical footfall, which is also diminishing. The problem analysis has pinpointed the following that need to be addressed directly by the digital transformation: the outdated site, the lack of delivery choices, and ineffective digital marketing. Chaffey and Ellis-Chadwick (2022) highlight the fact that the returns of e-commerce investment are exponential to independent retailers who can be differentiated due to authenticity and sustainability, which Green Haven has. Moreover, the improved online functionality and flexibility of delivery, which are stated in the customer

feedback mentioned in the case study, mean that Solution A is the most evidence-based and customer-led one.

5. Risk Analysis of Selected Solution

To perform the risk analysis, a likelihood-impact matrix was used (see Appendix 2), which is suggested by Chapman and Ward (2023) as the way to analyze the project risk in the small business. The most risky risk is the high development cost (score: 16) which can be reduced with the development of a gradual implementation and low-cost platforms like Shopify. The presence of national online retailers as competitors is also rated high (15), which is combated through the focus on eco-branding of Green Haven. The medium risks are the operational strain and the customer adoption that can be addressed with the help of the targeted marketing and staffing part-time. The risk profile is generally manageable, and no particular risk could be deemed business-critical in case the mitigation measures are taken proactively (Hopkin, 2022).

6. Plan to Implement the Selected Solution

The implementation plan (Appendix 3) is six-month based and organized into seven major activities. The plan starts with a site audit and redesign (Month 12), which is prioritised since an unproductive site nullifies all other digital activity (Chaffey and Ellis-Chadwick, 2022). Liam is the digital lead and manages this stage. The e-commerce system developed using Shopify (Month 2) is the next step, and it allows the initiation of transactions. Optimisation and SEO (Month 23) of Google My Business is outsourced to an external agency that is low cost to establish online presence. Month 3 (Social media content calendar) will guarantee uniformity in brand messaging. Same-day local delivery (Month 34) is a customer responsive approach. The repeat customers are captured by an email subscription campaign (Month 4). Both partners share responsibilities to prevent overloading operations, which is in line with the principle of sharing change leadership, as proposed by Kotter (2021). On average, the cost is estimated at about £2750, which is deemed reasonable when it comes to a digital pivot in a small business.

7. KPIs and SMART Objectives

Two major indicators are identified in the KPI and SMART objectives table (Appendix 4). The initial one is Online Revenue Growth Rate, and a SMART goal of increasing the online sales revenue by 20 percent in six months of launching the web site. This can be directly quantified through Shopify analytics and can be applied to the main business issue (Doran, 1981, cited in Bjerke and Renger, 2017). The second KPI is the Website Bounce rate where the aim should be to decrease the rate of 70% to 45% in the three months of redesign. According to Kaplan and Norton (2021), KPIs need to be causally related to strategic goals, which is the case here: the better the website is engaged, the more logical it will be to expect higher conversion rates. Regularly (monthly) reviewing their performance will enable Liam and Priya to change strategies in time should they not be achieving their targets.

8. Conclusion – Key Findings

- Green Haven Florists: The company is losing 30% of in-store sales due to decreased foot traffic, increasing expenses, and increased competition with online-only businesses.
- Two alternatives were considered: digital transformation (Solution A) and in-store experience improvement featuring subscription services (Solution B).
- Solution A was chosen as the preferred solution based on a PMI analysis as it is more scalable and can directly address the identified customer requirements.
- The risk analysis revealed that the major risk was the high cost of the development of the website and the competitive pressures, both of which can be handled using the phased approach and differentiation based on sustainability.
- It has also been developed and has a 6-month implementation plan at a cost of about 2750 pounds with specific roles and responsibilities allocated to Liam and Priya.
- Two KPIs, Online Revenue Growth rate (20% in 6 months) and Website Bounce rate (cut to 45% in 3 months) will be employed to gauge the effectiveness of the solution.

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Appendix 1 – PMI Analysis Table

Table 1: PMI Analysis of Solution A and Solution B

	Solution A: Digital Transformation & Online Store	Solution B: In-Store Experience & Subscription Box	Notes
Plus (+)	Expands reach; 24/7 sales; lower long-term cost	Builds loyalty; premium pricing; community feel	Both strengthen revenue streams
Minus (-)	High setup cost; competitive online market	Limited scalability; requires physical footfall	Both carry financial risk
Interesting	Could leverage eco-branding for niche market	Subscription model is growing trend post-pandemic	Differentiation opportunity for both

Source: Adapted from De Bono (1985, cited in MindTools, 2023)

Appendix 2 – Risk Analysis Table

Table 2: Risk Analysis of Solution A – Digital Transformation

Risk	Likelihood (1-5)	Impact (1-5)	Score	Mitigation
High development cost of website/app	4	4	16 (High)	Phased rollout; use affordable e-commerce platforms (e.g. Shopify)
Low customer adoption of online orders	3	4	12 (Medium)	Targeted social media campaigns; loyalty discounts for first orders
Operational strain on small team	3	3	9 (Medium)	Hire part-time digital coordinator; automate order management

Competition from larger online retailers	5	3	15 (High)	Emphasise eco-credentials and bespoke offerings as USP
Data security / GDPR compliance	2	5	10 (Medium)	Use GDPR-compliant platform; seek legal guidance

Note: Score = Likelihood × Impact. High: 15–25; Medium: 8–14; Low: 1–7 (Chapman and Ward, 2023).

Appendix 3 – Implementation Plan

Table 3: Six-Month Implementation Plan for Digital Transformation

#	Activity	Timeline	Responsible	Cost (Est.)	Priority
1	Website audit & redesign (UX/UI)	Month 1–2	Liam (Digital Lead)	£1,200	High
2	Set up e-commerce platform (Shopify)	Month 2	Priya (Operations)	£300/yr	High
3	Launch Google My Business & SEO	Month 2–3	External Agency	£500	High
4	Social media content calendar	Month 3	Both Partners	£200	Medium
5	Introduce same-day delivery option	Month 3–4	Liam + Driver	£400	Medium
6	Email subscription campaign	Month 4	Priya	£150	Medium
7	Monitor KPIs & adjust strategy	Month 5–6	Both Partners	Internal	Ongoing

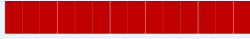
Appendix 4 – KPI and SMART Objectives

Table 4: KPI and SMART Objectives for Selected Solution

Specific	Measurable	Achievable	Relevant	Time-Bound	KPI
Increase online sales revenue	Track monthly online order volume & revenue via Shopify analytics	20% increase is realistic given current zero baseline online	Directly addresses 30% in-store sales decline	Within 6 months of website launch	Online Revenue Growth Rate (%)
Improve website engagement	Monitor bounce rate, page views, session duration via Google Analytics	Reduce bounce rate from est. 70% to 45%	Outdated website is a cited barrier for customers	Within 3 months of redesign launch	Website Bounce Rate & Session Duration

Appendix 5 – Revenue Trend Chart (Figure 1)

Figure 1: Green Haven Florists – Estimated Revenue Index (2021–2025 Projection)

Year	Relative Revenue (Index, 2021=100)	Index
2021		100
2022		105
2023		98
2024		70
2025 (Proj.)		85

Note: Revenue indexed to 100 in 2021. 2024 reflects the 30% sales decline stated in the case study. 2025 projection assumes successful implementation of Solution A. Blue bars indicate projected recovery.