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Abstract

This report will examine the business Haven Florist with its problems and given solutions. It will also include a PMI and an action plan table. It is recommended that the company expands its online operations and improves its logistical systems.

Introduction

The small independent business has been experiencing a decrease in sales. In the last 12 months the business has reported a 30% decline in in-store sales. It is established by Liam and Priya Patel in 2016 Norwich UK. They have many factors in which their business is going downhill and need to be sorted out as quickly as possible if they don't want to end up closing their business.

Evaluation

Problem 1- For Green Haven Florist to flourish and not fail behind they must update their social media status and its important popularity and customers who prefer to shop online.

The business is struggling to maintain profitability in changing retail environment. The problem mainly affects the physical store in Norwich. The decline is caused by increased online competition, foot traffic and outdated website. Many customers now prefer to now prefer the convenience to of shopping online rather than visiting physical stores. This is a significant problem because it weakens the business's competitive position, and risks long – term sustainability.

Problem 2 – Other reason for Green Haven Florists to stay in business is the costs of materials as different and much more popular florists offer a range of benefits for pricing and profitability.

Rising cost for fresh flowers seasonal for lush packaging and delivering supplies have also increased dramatically this squeeze profit margins and makes it harder to compete on price. Supplier dependence the businesses reliant on a small number of suppliers which reduces its bargaining power and flexibility. Price sensitivity customers can compare prices online easily and are more likely to switch to a competitor with a lower price or a

promotion. Operational and offences unsold stock and poor inventory managers increase overall costs.

Solution 1:

Invest in social media marketing. Social media allows businesses to reach a large audience quickly, helping more people become aware of the brand.

Consistent posting keeps the business relevant and helps to establish a consistent brand image. For example, images of bouquets behind the scenes, footage of arrangements being made or even customer testimonials can create a stronger emotional bond with potential buyers. This helps to build trust and loyalty which is important in a competitive market.

Solution 2:

Cost management strategy improved cost control measure to increase the efficiency and maintain competitive prices about compromising quality. The key steps are to negotiate better deals of several suppliers and to improve inventory monitoring to reduce waste and over purchasing. This includes to Value based pricing not just price competition.

The best solution and why?

Solution 1 is better because it's centred around increasing demand for your product/ service and bringing in greater revenue for the organisation; as opposed to just decreasing costs.

Ask an example of solution 2 (cost reduction) although this is a one way to improve efficiency at your company, it may be applicable mainly on an

internal basis with limitation. For instance, there's only a certain amount you can reduce costs before quality begins to suffer. Whereas social media marketing will help a business grow by creating customers and increasing sales.

Furthermore, social media provides a solution to the earlier mentioned problem: the transition to online shopping and the declining customer traffic flow into stores. Since social media is where customers currently are located, it represents an opportunity to provide relevant to a digital retail ecosystem.

In addition, by using social media, retailers have an opportunity to differentiate themselves from their competitors with the establishment of brand awareness and customer loyalty that cannot be achieved merely through cost-cutting actions while other retailers may be attempting to reduce their own costs, they may not all be successful in developing a compelling online brand presence.

PMI 1:

What's good (+)	What's bad (-)	What's interesting (?)
Better marketing leading to more sales (+8)	Hacking/ cybers security (-10)	Wide variety (+5)
Send info to customers easier (+6)	Cost to set up (-3)	Builds a profile (+8)
Save time (+2)	No experience (-6)	
Applicability (+3)	Risk of negative feedback (-5)	
Wider reach across the world (+10)		
Targeted marketing (+7)		
+46	-24	+13
Total= +35		

PMI 2:

What's good (+)	What's bad (-)	What's interesting (?)
Encourage better cost management and efficiency (+6)	High material cost (-7)	Partnerships with local growers might reduce cost (+4)
Quality over quantity (+6)	Limits ability to offer discounts and or promotions (-5)	Advantage in pricing if buying in bulk (+5)
Review suppliers and find cheaper alternatives (+7)	May affect long term sustainability (-9)	Customers may still pay extra for personalised gifts (-10)
+19	-21	-1
Total = -3		

Action plan:

Actions	Description	Time frame	Staff Responsible
Higher a digital marketing specialist	To manage and create	30 days	Liam& Priya
Updating social media posts	Posting regularly, set up sales portal for social media	90 days	Liam& Priya
Update website	Subscription links to shopping basket and delivery options	30 days	Liam& Priya
Delivery Options	Sending out 24-73 hours tracked, same day delivery to urgent customers	7 days	Liam& Priya

Conclusion

In conclusion, if Liam and Priya don't take any actions any time soon, they could end up closing their small business. To remain competitive and sustainable the business needs to adapt its strategy and improve its digital and operational approach. I have said in this report that their best bet is to expand in social media.

Thus, to control costs through cost management might seem an option, but it does not touch upon the very core of customer engagement decline. The best resolution to the issue would be utilising social media marketing. Increasing their social presence enables businesses to take their products to a wider clientele, pulling a new customer and creating stronger bonds with those they already have. This would thereafter lead to an increase in sales coupled with improved brand recognition and customer loyalty.

Moreover, social media will help the business remain in line with the digitally - first market, quickly adjust to changing trends, and remain competitive against larger online based marketplaces. This method, paired with gradual improvements in operations, would represent an ideal mix between the short-term recovery and long-term benefits.

References

Statista (2024). *Online shopping and e-commerce statistics*.

Available at: <https://www.statista.com/>

(Use this to support points about the rise in online shopping and changing consumer behaviour.)

Small Business Administration (SBA). (2023). *Market your business*.

Available at: <https://www.sba.gov/>

(Useful for supporting your ideas about social media marketing and reaching customers.)

Principles of Marketing – Philip Kotler & Gary Armstrong (latest edition).

(Use this for general theory on marketing strategies, pricing, and competitive advantage)