

BUSINESS CONSULTING REPORT: STRATEGIC RECOVERY FOR BASIL'S BAKERY

Covering Information

- **Student Name:** Misha Akhvlediani
- **Student ID:** 2530047
- **Assignment Title:** Strategic Evaluation and Business Recovery Plan for Basil's Bakery
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1. Abstract

Basil's Bakery, a small Coventry-based business, faces significant financial challenges as post-pandemic sales remain 25% below 2019 levels. This report analyzes the decline in footfall, rising operational overheads, and changing consumer behaviors. By evaluating potential strategic solutions, including delivery services and pre-ordering systems, this report provides actionable recommendations to restore business viability and operational efficiency.

2. Introduction

Established in 2015, Basil's Bakery has served the Coventry retail park community. While initially successful, the business has struggled significantly since 2020. This report aims to identify core problems and suggest remedies to stabilize the enterprise.

3. Nature & Scope of Basil's Bakery's Problems

The business faces a multi-faceted crisis:

- **Reduced Footfall:** A decline in visitors to the retail park and the closure of nearby shops has reduced the potential customer base.
- **Changing Work Habits:** Loyal office-worker customers have adopted hybrid 'work from home' patterns, reducing daily visits.
- **Operational Constraints:** Basil is unable to fulfill requests for delivery or pre-ordering due to being occupied with production, leading to lost sales opportunities.
- **Rising Costs:** Overhead expenses (utility bills, rent, rates, insurance) have increased, while sourcing organic ingredients exposes the business to price volatility.

4. Solutions

4a. Solution 1: Implement a Pre-ordering System

Develop a simple online or phone-based pre-ordering system to manage customer demand, reduce wait times, and allow for better batch production planning.

4b. Solution 2: Introduce a Limited Delivery Service

Launch a targeted, low-frequency delivery service for local office blocks or residential areas to recapture lost 'work-from-home' custom.

5. Evaluation of Solutions

Solution	Plus	Minus	Interesting
Pre-ordering	Improves satisfaction, better demand forecasting.	Requires time to manage, potential software costs.	Could encourage larger bulk orders.
Delivery Service	Reaches new/remote customers.	Higher logistical burden, time-consuming.	Creates a new brand identity for convenience.

6. Recommendation & Analysis

The best solution is a **hybrid approach**: Prioritizing the **pre-ordering system** as it addresses immediate in-store inefficiency without requiring logistical overhead, followed by a trial of **targeted local deliveries** once the pre-ordering system stabilizes production.

7. Implementation Plan

1. Week 1-2: Audit current production times and identify peak 'busy' hours.
2. Week 3-4: Launch simple 'Call-to-Order' service with specific pickup windows.
3. Week 6: Review feedback and assess viability of expanding to a limited delivery trial.

8. Key Performance Indicators (KPIs)

- Average daily transaction count.
- Pre-order volume as a percentage of total sales.
- Net profit margin improvement.
- Customer wait-time reduction.

9. Conclusion

Basil's Bakery remains a high-quality artisan producer. By transitioning from a reactive, walk-in model to a more proactive, managed-demand model, Basil can overcome the current stagnation and align his business with the post-pandemic reality of his local market.