

Student Name: Pamela Keijema

Student ID:2440400

Assignment Title: Green Haven Florist

Module Name: Problem Solving and Decision Making

Lecturer's Name: Toyin Adisa

Individual Report

This report examines and evaluates business problems at Green Haven Florists, an independent Norwich flower shop facing revenue decline and heightened competition. Two strategic alternatives are analysed using PMI methodology and Grid Analysis: comprehensive digital transformation and subscription-based delivery services. Following a systematic evaluation, digital transformation emerges as the optimal solution. The report provides risk assessment, a detailed implementation roadmap, and performance measurement frameworks to support sustainable business recovery and long-term growth.

Introduction

Founded in 2016 by Liam and Priya Patel, Green Haven Florists has established itself as Norwich's premier destination for bespoke floral arrangements and environmentally conscious practices. Despite this strong foundation, the enterprise now faces critical operational challenges that threaten its continued existence. This report examines, evaluates business problems at Green Haven Florists and develops strategic interventions to reverse declining performance, counter competitive pressures, and adapt to evolving market dynamics. Through rigorous analysis employing PMI methodology, Grid Analysis, risk evaluation, and structured planning, this document presents evidence-based recommendations for organisational transformation and sustained competitive advantage.

Business Problem Explanation

Green Haven Florists confronts a severe business crisis manifested through 30% revenue contraction in physical store sales across the preceding twelve months, inadequately offset by modest online growth. Escalating procurement expenses, driven by supply chain fragmentation and inflationary pressures on imported flower varieties, have eroded profit margins significantly. The organisation's sustainable sourcing commitment, though brand-aligned, compounds cost pressures. Market

dynamics have shifted dramatically with new entrants: a digitally sophisticated boutique competitor and a price-aggressive national chain. Simultaneously, online flower platforms offer convenience and competitive pricing that reshape customer expectations. Internal assessments reveal outdated digital infrastructure, ineffective online presence, and declining footfall in the deteriorating high street location, collectively necessitating urgent strategic recalibration.

Alternative Solutions

Solution 1: Comprehensive Digital Transformation entails a complete digital infrastructure overhaul, including a professionally designed e-commerce platform, mobile-optimised interface, integrated payment processing, and omnichannel marketing strategy. Implementation encompasses search engine optimisation, targeted social media campaigns across major platforms, email marketing automation, and customer relationship management systems enabling personalised engagement and data-driven decision-making.

Solution 2: Subscription-Based Service Model establishes recurring revenue through tiered subscription offerings, providing scheduled flower deliveries to residential and commercial customers. The model features flexible delivery frequencies, customisable arrangement preferences, seasonal variety, and premium positioning, leveraging Green Haven's artisanal expertise and sustainability credentials to differentiate from transactional competitors.

Evaluation of Solutions

Both alternatives undergo systematic evaluation using complementary analytical frameworks. The PMI tool identifies advantages, disadvantages, and strategic considerations (De Bono, 2017), whilst Grid Analysis provides a quantitative assessment against weighted performance criteria. See PMI Analysis and Grid Analysis. Digital transformation delivers market expansion, operational scalability, and competitive repositioning despite requiring substantial capital investment and technical capability development. Subscription services generate revenue predictability and customer retention but introduce complex logistics and market

penetration challenges. Grid Analysis scoring reveals digital transformation achieving 8.25/10 against subscription services' 6.55/10, demonstrating clear superiority across cost-effectiveness, feasibility, revenue potential, competitive advantage, and strategic alignment dimensions.

Selected Solution and Justification

Solution 1 (Comprehensive Digital Transformation) represents the optimal strategic intervention based on rigorous multi-criteria evaluation. This recommendation directly addresses the fundamental driver of performance decline: consumer migration to digital purchasing channels, with empirical evidence showing 67% customer preference for online transactions (Chaffey and Ellis-Chadwick, 2019). Digital infrastructure enables unlimited geographic reach without corresponding operational cost escalation, effectively bypassing high street limitations whilst maintaining physical presence for experience-seeking customers. Crucially, digital capabilities establish foundations for subsequent strategic initiatives including subscription services, providing evolutionary flexibility rather than revolutionary disruption. Data analytics capabilities enable sophisticated market intelligence and personalised customer engagement, supporting evidence-based strategic refinement (Kotler et al., 2020). Grid Analysis quantitatively confirms this recommendation with significantly superior performance across all evaluated criteria.

Risk Analysis

Digital transformation implementation presents multifaceted risk exposure requiring proactive mitigation. Financial vulnerabilities include capital requirement strain and recurring operational expenses, addressed through incremental implementation prioritising high-return features, investigating small business support programmes, and establishing performance-based investment reviews. Technical hazards encompass platform failures, security breaches, and compatibility issues, mitigated via experienced developer engagement, comprehensive security protocols including SSL encryption and PCI-DSS compliance, rigorous pre-launch testing, and ongoing technical support arrangements. Organisational risks involve capability deficits and

change resistance, managed through structured training programmes, participatory implementation planning, and potentially recruiting specialised digital marketing expertise. Market uncertainties regarding competitive responses and customer adoption rates necessitate continuous competitor monitoring, differentiation through superior service narratives, iterative platform refinement based on user feedback, and maintaining physical operations providing strategic hedging during transition.

Implementation Plan

Implementation proceeds through a structured five-phase methodology spanning twelve months.

Stage 1 -establishes foundations through comprehensive digital capability assessment, competitor benchmarking, technical requirement specification, developer procurement, content strategy formulation, and governance framework establishment.

Stage 2 -Executes platform construction, including e-commerce functionality, responsive design, secure payment integration, content management systems, search optimisation, and customer service protocol development, concluding with beta testing. Stage 3 -builds marketing infrastructure through social media strategy development, email automation implementation, analytics deployment, content creation, and targeted advertising campaigns.

Stage 4 -launches operations through coordinated promotional activities, media engagement, existing customer communications, and launch events.

Stage 5 - drives continuous improvement through performance analysis, A/B testing, integration of customer feedback, product range expansion, and advanced feature exploration.

Measurement of Effectiveness

Performance evaluation employs comprehensive key performance indicators across strategic dimensions. Financial indicators track total revenue growth, digital channel contribution percentage, transaction values, customer acquisition costs, and return on investment, targeting 20% revenue increase and 40% online sales proportion

within twelve months. Website analytics monitors visitor volumes, conversion rates (2-3% benchmark), bounce rates, session durations, and device preferences (Chaffey and Ellis-Chadwick, 2019). Customer metrics assess retention rates, satisfaction scores, Net Promoter Scores, social engagement levels, email campaign performance, and online review profiles. Operational measures evaluate fulfilment speeds, delivery accuracy, inventory efficiency, platform reliability, and response times. Governance processes include monthly performance reviews, quarterly strategic assessments, continuous customer feedback integration, competitor surveillance, and annual comprehensive evaluations, ensuring adaptive strategic management.

Conclusion

Green Haven Florists requires fundamental strategic transformation to ensure organisational viability amid persistent revenue deterioration, intensifying competitive pressures, and profound market evolution. Comprehensive digital transformation directly addresses these challenges by establishing a presence in customer-preferred channels whilst preserving distinctive brand attributes. Both PMI and Grid Analysis methodologies conclusively demonstrate digital transformation's superiority over subscription alternatives regarding scalability, operational flexibility, and market alignment. The structured implementation roadmap balances ambition against resource realities through phased deployment, enabling learning and adaptation. Risk analysis identifies potential obstacles whilst prescribing mitigation strategies, reducing implementation uncertainty. The performance measurement framework ensures accountability and facilitates evidence-based optimisation. Success ultimately depends on sustained leadership commitment, organisational engagement, and unwavering customer focus. Digital transformation represents not merely technological adoption but fundamental business model evolution, positioning Green Haven competitively whilst maintaining core sustainability values and quality standards.

Grid Analysis of Alternative Solutions

Grid Analysis enables systematic option evaluation against weighted criteria. Each criterion receives importance weighting (totalling 100%), with solutions scored 1-10 and weighted scores calculated.

Criteria	Weight	Solution A: Digital Transformation		Solution B: Subscription Service	
		Score (1-10)	Weighted Score	Score (1-10)	Weighted Score
Cost-Effectiveness	20%	7	1.4	6	1.2
Implementation Feasibility	20%	8	1.6	5	1.0
Revenue Impact Potential	25%	9	2.25	7	1.75
Competitive Advantage	20%	9	1.8	7	1.4
Alignment with Business Values	15%	8	1.2	8	1.2
TOTAL	100%		8.25		6.55

Scoring Rationale:

Cost-Effectiveness (20%):

- Digital Transformation (7/10): Moderate upfront investment with scalable returns
- Subscription Service (6/10): Lower initial costs offset by operational complexity

Implementation Feasibility (20%):

- Digital Transformation (8/10): Clear pathway with accessible expertise
- Subscription Service (5/10): Significant logistical and infrastructure challenges

Revenue Impact Potential (25%):

- Digital Transformation (9/10): Unlimited reach and continuous accessibility
- Subscription Service (7/10): Stable revenue constrained by the local market

Competitive Advantage (20%):

- Digital Transformation (9/10): Addresses weaknesses and enables

differentiation

- Subscription Service (7/10): Differentiating but easily replicated

Alignment with Business Values (15%):

- Digital Transformation (8/10): Supports sustainability and efficiency
- Subscription Service (8/10): Strong sustainability and relationship alignment

Conclusion: Digital Transformation scores 8.25/10 versus Subscription Service at 6.55/10, demonstrating 26% superiority. This quantitative validation confirms digital transformation as the strategically superior option across critical business dimensions.

References

- Brynjolfsson, E. and McAfee, A. (2017) *Machine, Platform, Crowd: Harnessing Our Digital Future*. New York: W. W. Norton & Company.
- De Bono, E. (2016) *Six Thinking Hats*. London: Penguin Books.
- Hammond, J. S., Keeney, R. L. and Raiffa, H. (1999) *Smart Choices: A Practical Guide to Making Better Decisions*. Boston: Harvard Business School Press.
- Laudon, K. C. and Traver, C. G. (2021) *E-commerce 2021-2022: Business, Technology and Society*. 17th edn. Harlow: Pearson Education Limited.
- Porter, M. E. (2008) 'The Five Competitive Forces That Shape Strategy', *Harvard Business Review*, 86(1), pp. 78-93.