



Basil's Bakery

- Student Name: Ion Razvan Duinea
- Student ID: 2528851
- Lecture's name: Yetunde Everard-Igweh
- Module code: LCLM 4004
- Module name: Problem Solving and Decision-Making

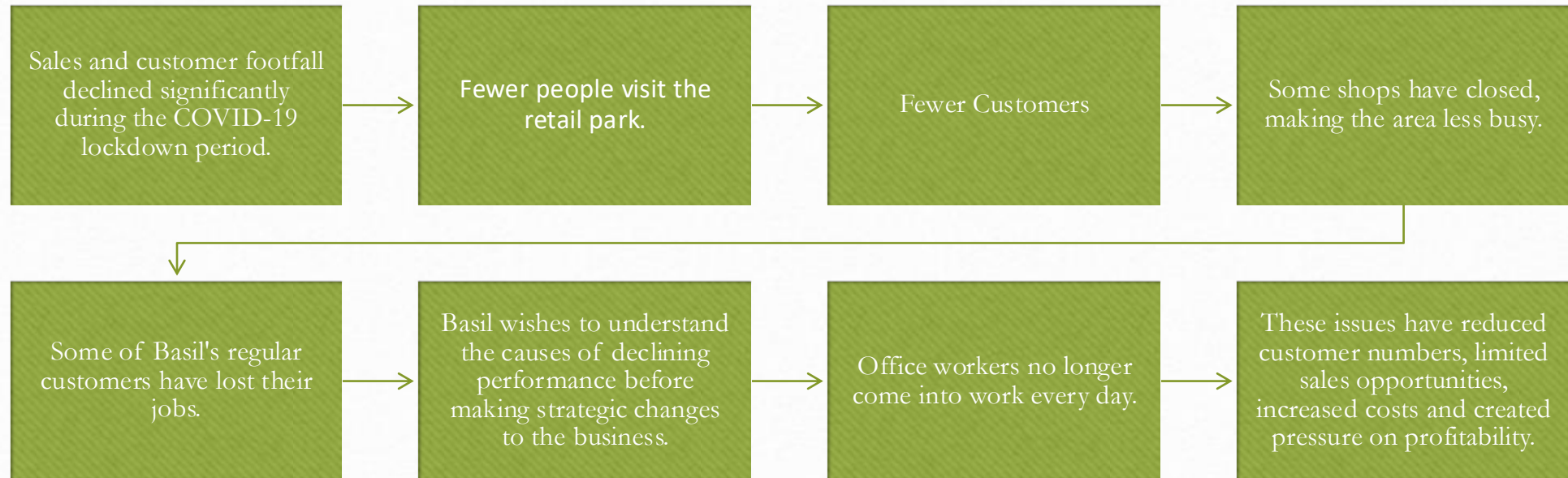
INTRODUCTION

This presentation aims to investigate the factors causing Basil's Bakery's stagnant sales performance and identify the key issues affecting business viability.

Basil's Bakery is an independent artisan bakery located within a retail park in Coventry.

- **Explain the problems affecting Basil's Bakery.**
- **Look at the reasons why sales have stopped growing.**
- **Use a PESTEL analysis to examine outside influences on the business.**
- **Use a Fishbone Diagram to identify the main causes of the problem.**
- **Summarise the key findings.**

Basil's Bakery has experienced stagnant sales since 2023, remaining approximately 25% below pre-pandemic levels.



Main Problems Affecting Sales

- **Customer Service Issues**

- Limited ability to accept pre-orders due to staffing constraints.
 - No delivery service despite customer demand..
 - Limited ability to accept pre-orders due to staffing constraints.
-

- **Higher Costs**

- Rent, energy bills and insurance have increased.
- Organic ingredients have become more expensive.
- Redundancies among retail workers who were loyal customers.

PESTEL Analysis for Basil's Bakery

- **Political**

Government lockdown restrictions significantly reduced customer footfall.

- **Economic**

Inflation has increased utility bills, rent, insurance and ingredient costs

Store closures within the retail park indicate wider economic challenges.

- **Social**

More people work from home.

Fewer people visit the retail park.

- **Technological**

The bakery does not offer online ordering or delivery. Competitors may offer online ordering and delivery platforms.

- **Environmental**

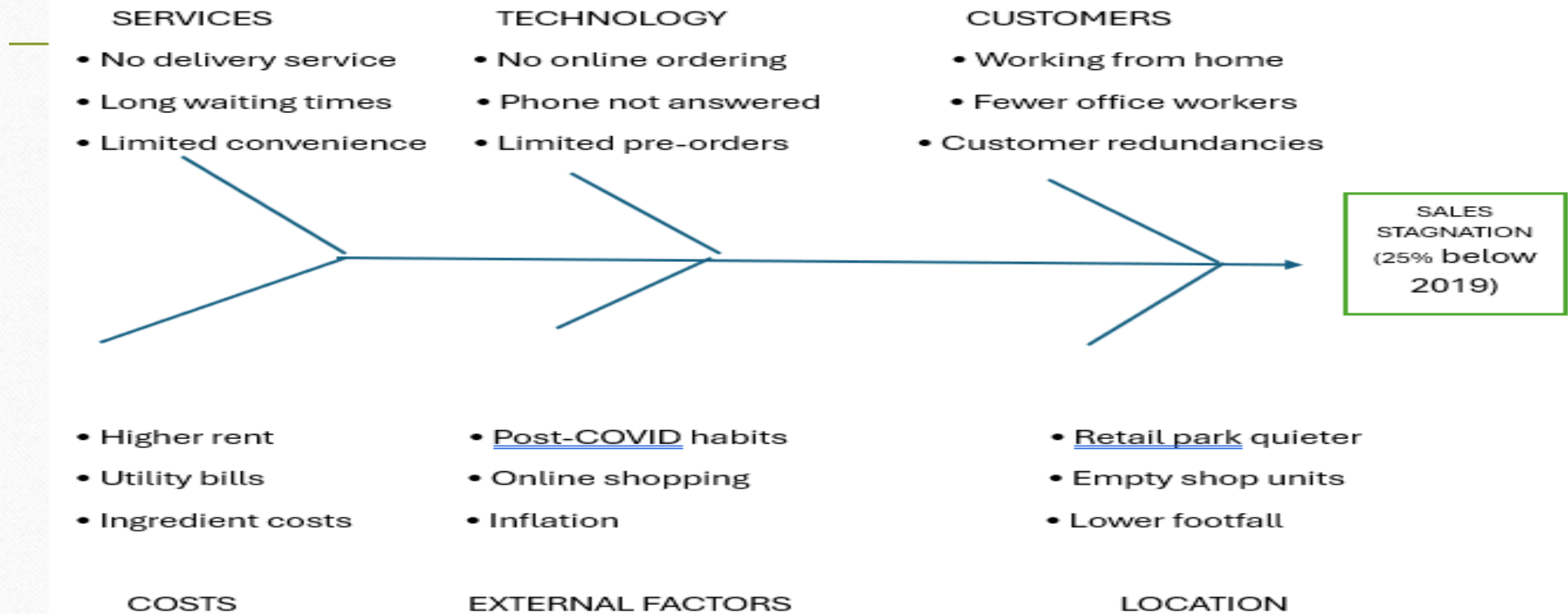
Organic ingredients can be affected by bad weather and poor harvests.

This can increase costs.

- **Legal**

Food safety and employment laws can increase costs and paperwork.

Fishbone Diagram



Key Findings

Premium organic products may be viewed as expensive during economic uncertainty.

Reduced retail park footfall has significantly impacted customer numbers.

Sales remain approximately 25% below pre-pandemic levels.

Lack of delivery and effective pre-order systems creates lost sales opportunities.

Rising operating and ingredient costs place pressure on profitability.

No online ordering system.

Conclusion

- Basil's Bakery is affected by both external factors and internal business issues. Although Basil cannot control changes in the local market, introducing services such as online ordering, pre-orders, and deliveries could improve customer convenience and help boost sales.

References

Johnson, G., Scholes, K. and Whittington, R. (2020) *Exploring Strategy*. 12th edn. Harlow: Pearson.

Ishikawa, K. (1986) *Guide to Quality Control*. 2nd rev. edn. Tokyo: Asian Productivity Organization.

Kotler, P. and Keller, K.L. (2016) *Marketing Management*. 15th edn. Harlow: Pearson Education.

Worthington, I. and Britton, C. (2018) *The Business Environment*. 8th edn. Harlow: Pearson.

Barrow, C., Barrow, P. and Brown, R. (2021) *The Business Plan Workbook*. 9th edn. London: Kogan Page.

Thank
You.

The text 'Thank You.' is written in a dark blue, elegant cursive script. The word 'Thank' is on the top line, and 'You.' is on the bottom line. The letters are adorned with various colorful decorative elements: a pink flower-like swirl above the 'T', a yellow crescent shape on the left of the 'T', a pink flower on the right of the 'u', and several small colorful dots and swirls scattered around the text. The entire graphic is set against a light cream background, which is itself centered within a larger teal frame.